

We quote from the proceedings of the Board of Regents, Tuesday, the following:

"Regent Cutcheon announced his intention of voting in favor of dismissing the bill, but said he did so in deference to the declarations of the members of the Legislature, and not because it accorded with his judgment."

Quite humiliating, Mr. Cutcheon. Honest men and statesmen—true men—vote according to their convictions. Putty men, who think one way and vote another, are not fit for responsible positions. Lest a mistake may occur, we will say that the above is not the Ypsilanti Cutcheon—our Cutcheon; for he would have voted in accordance with his judgment and convictions, if it took the scalp clean off.

REPORT
OF THE
JOINT COMMITTEE

OF THE
MICHIGAN LEGISLATURE OF 1877,

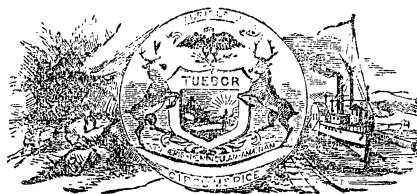
ON AN ALLEGED DEFALCATION, AND MATTERS CONNECTED THEREWITH, IN THE

Laboratory Department

OF THE
UNIVERSITY OF MICHIGAN,

TOGETHER WITH

THE TESTIMONY TAKEN IN THE CASE.



BY AUTHORITY.

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1877.

UNIVERSITY INVESTIGATION.

PRELIMINARY PROCEEDINGS IN THE HOUSE AND SENATE.

On January 11, 1877, the following preamble and concurrent resolution were introduced into the House by the Hon. F. A. Baker, and adopted Jan. 12. It was concurred in by the Senate, Jan. 17:

Whereas, A defalcation, extending over a long period of years, and embracing quite a large sum of money, has been discovered in the management of the chemical laboratory of the State University;

And Whereas, The Regents of the University in their "statement of certain needs of the University of Michigan," which they have published and placed in the hands of the members of the Legislature, have invited, and generously offered every facility for the most thorough and exhaustive investigation, either of the defalcation itself, or their mode of treating it; therefore,

Resolved (the Senate concurring), That the committees on the University of the Senate and House of Representatives, be and they are hereby instructed, jointly, to make a thorough and exhaustive investigation of said defalcation and of any and every subject-matter connected therewith, which in their judgment may require investigation, to the end that said committees may report to their respective Houses whether any, and if so what legislation is needed, and that said committee sit with open doors.

Resolved, That said committees have leave to sit during the sessions of the Senate and House of Representatives, and be empowered to administer oaths, compel the attendance of persons and the production of papers, and to employ a stenographer to take and transcribe the testimony at a compensation not exceeding ten cents per folio.

The Senate committee consisted of Messrs. Taylor, Newcomb, and Hinchman, and the House committee of Messrs. Mills, Phelps, Hayes, Kelley, and McArthur. Senator Taylor was chosen chairman.

TESTIMONY TAKEN.

JONAS H. M'C GOWAN SWORN.

Examined by Mr. Kelley.

Q. You are one of the Regents of the University?

A. No, sir.

Q. I suppose you have been?

A. Yes, sir; I lately resigned.

Q. When did you resign?

A. I think about the second or third of this month.

Q. How long have you been a Regent?

A. Seven years.

Q. Did you have anything to do with the investigation in reference to the alleged defalcation?

A. Yes, sir.

Q. When did you first become identified with any investigation?

A. My recollection would be it was in November, 1875; a year ago last November.

Q. How were you first informed of any deficiencies?

A. Either by letter or telegram from the President. My impression now is by letter.

Q. Were summoned here at that time for the purpose of making investigation, by the President?

A. The communication which I received suggested whether the presence of the executive committee was not desirable, or to that effect.

Q. Were you a member of the executive committee at that time?

A. I was at that time.

Q. How long had you been a member of that committee?

A. I should think four years any way; I think from the organization of the board the coming in of the new members four years previous.

Q. Had you been present at the annual meetings of the Board?

A. Usually; was absent once in a while.

Q. Had you ever seen or examined the books of the laboratory department?

A. No, sir.

Q. Had you ever seen the accounts or statements rendered by Dr. Douglas annually to the Board of Regents?

A. Yes, sir; I had occasionally seen them, but not being on the finance committee I had no occasion to examine them particularly.

Q. Were those reports usually brought up before the full Board?

A. In the reports of the finance committee, as I recollect it.

Q. The reports of Dr. Douglas were not, then, presented to the full Board for their examination or consideration?

A. No, sir; left like all other reports to a committee, according to my recollection of it.

Q. What did you do after being informed there was difficulty in the laboratory department?

A. I either came here immediately, or after conferring with the chairman of the executive committee, Mr. Walker; at least we met, whether there was more than the one communication between the President and myself, or Mr. Walker, I don't remember, but either under an arrangement between Mr. Walker and myself, directly or through the President, we met here.

Q. About what time was that?

A. I could not give you the date exactly; it was in November, 1875.

Q. After arriving here what did you do in reference to this alleged difficulty?

A. We had a conference immediately. I found Mr. Walker here. I came first and took tea,—coming down on the express train from the west I got here about tea time, and then went to the President's house. I there found E. C. Walker, and he and I went into the President's library, as I now remember it, and had a conference, called in the President, and learned what we could do with reference to the investigation, so far as it had then proceeded, and then went, in company with the President, to Dr. Douglas' house, and there we found Dr. Douglas only,—I think we four being present. There was one or more of the stub books there, and one of the ledgers, I think in all, possibly two, I think only one, and lists were there made up on ordinary index books of what was supposed at that time to be the delinquent accounts for the year immediately preceding. By delinquent accounts I understood them as now to mean those accounts where the ledgers showed a settlement had been made and the money paid into the laboratory and had not reached the Board of Regents by report and been accounted for. I think there were two lists there of that kind which had been made up by the President, and Dr. Douglas, and Dr. Prescott, as I then understood it. We examined those lists, examined particularly as to the keeping of the accounts, learned the history of the discovery of what was supposed at that time to be a defalcation, compared the lists with the stubs, and I think with the vouchers that had been returned in Dr. Douglas' report.

Q. That evening?

A. That evening I think; I think we found all the papers that we examined, at the doctor's house that evening; I think there were none at the President's house.

Q. You may state how the discovery took place, as communicated to you?

A. As we informed that night, Dr. Douglas stated to us that he and his son were making up the annual report, and my present recollection is that he said his son mentioned the name of some student who had been in the laboratory and remarked to one another how much so and so expended for material. Upon that they looked for his voucher, but failed to find it; the doctor remarked that Dr. Rose had neglected to put in the voucher, overlooked it or something of that kind. They looked the vouchers through thoroughly and did not find that one, and eventually during the examination their attention was called to some other name they did not find in the list of vouchers, his son, he stated, being familiar with those who had been employed in making examinations in the laboratory or studying there, and who paid for material. They

discovered the want of other names,—and I think four names were discovered wanting, that they had recollection of having been in the laboratory, whom they supposed had paid for chemicals and whose vouchers were not present. Upon this the doctor stated he made a list of them on the margin of a newspaper or scrap of paper, without any thought but what they were accidentally dropped out, took them to the laboratory next morning and said to Dr. Rose: “Here are three or four names that I do not find among the vouchers, I wish you would look the matter up;” that Rose took the slip from his hand and said he would, but there was something in his manner that attracted his attention, and it was so striking to him, I think he at that time stated he went to Dr. Prescott and told the doctor he feared there was something wrong; told him about their finding names wanting in the vouchers, and about the appearance of Dr. Rose when he called his attention to it, a start or something, I don’t remember fully the description he gave of the exhibition on the part of Rose, but something attracted his attention, and he said he communicated it to Prescott. I also had this from Prescott: that he was communicated with by Dr. Douglas at that time. He said Rose took the list of names and went away to a cupboard or desk where the books were and apparently made the examination, and came back and said: “It is all right, those men have settled; I will pay the amount the vouchers call for; the books show they have settled;” and he then paid him.

Q. Do you recollect the name of the parties?

A. I do not recollect all, I think one of them was Pantland.

Q. Then what did you do after having this interview with reference to making the investigation?

A. I would like to state the other facts in connection with the question you asked me before. I hardly would have felt, as one of the committee, from the statement I have made, that it warranted us to do what we did do subsequently. They also stated, in following this matter up, and presenting the names at the time to Dr. Rose, that he then said: “I have a list of all the vouchers which I turned over to you,” and he furnished him a list of the vouchers he turned over, which corresponded with the vouchers he had on hand, which he says he really turned over when he spoke of having the names; that he accepted that list and eventually, before we came here, Dr. Rose had made a list of the missing vouchers; the delinquent accounts amounting to 600 and odd dollars’ worth; that he had made that list with his own hand, and he had paid those, thus, as we construed it, admitting there was a delinquency of that kind, that he knew it, and he was enabled to get the material to make up the list.

Q. State what you did after you arrived on the ground?

A. These statements were made to us, and, in pursuance of the statements after that talk where we learned these facts which I have now stated, we then parted for the evening and went to our hotels, agreeing to meet the next morning, and call Dr. Rose into conference with ourselves. We did so, having determined that we should place the matter before him, not only of what was supposed to be the defalcation for the year previous, but for some years previous to that, for some time previous to that which they claimed they had already ascertained that there were other defalcations, aside from those he had paid for, and he was called in conference with us the next morning, or some time during the forenoon, at the President’s room, and we three were alone in the President’s office, Mr. Walker, Dr. Rose, and myself, and we there made a statement to Dr. Rose. I made a statement myself, at the solicitation of Mr. Walker.

Q. What did you say to him in regard to this delinquency?

A. In substance and very nearly in words as follows: "Doctor, the committee have sent for you to talk with you about a shortage in the accounts in the laboratory;" I said, "You are perfectly aware that the shortage for last year has been examined and determined, and that you paid it up; we are also aware of something that you cannot be aware of, that the books have been examined back of that, and that there is an apparent shortage back. It appears from an examination of the books that the delinquencies back of last year, as far as examined, are just about in keeping with those of last year, and that is the matter that we want to talk with you about."

Q. What reply did he make to that?

A. The Doctor showed unusual agitation and trepidation, clasped his hands together in front of him, gripping them very tight, his cane hanging on his left arm and the end of the cane upon the floor, and he was trembling so, and so agitated, that the cane struck rapidly upon the floor, and he showed unusual agitation in answering. After some hesitation or some delay he answered that he was not aware of any shortage back of last year, but saying that he desired to do what was right, and would make it right, or was willing to make it right.

Q. Did he make use of that expression, that he was not aware of any shortage back of last year?

A. That in substance; whether the word shortage was used by him or not, I don't know; but it was used by me. I said to him that parties making the investigation had ascertained there was a shortage back of last year, and that the shortage for the years back, so far as they ascertained, showed just about the amount of each year that had been found for last year. He said then that he was not aware of any shortage back of last year.

Q. What did you require of him at that time?

A. There was considerable talk immediately following that with regard to the matter. The Doctor asked at one time with reference to his position, whether he could retain his position; spoke of his being able to pay it up if he could have his salary. We told him that we could make him no promise; that we could not enter into any agreement; that our business was now primarily to see that the University was secure against loss, and that arrangements could only be entered into with the full Board; that we desired that the investigation should be made privately, without any publicity, and if there was any fraud or fault on the part of himself or parties connected with the laboratory, that undoubtedly that matters would go along as they were after a restoration being made, if the deficiency was determined upon, but we could give no promise. He asked them how he could settle the matter. I said to him, I see no way that you can settle it now, but we simply want security. He said, I don't know how I can give security; something to that effect. I then asked him squarely what property he had, and he told me he had nothing but his house and lot. I asked him about notes, bonds, and mortgages,—if he had anything of that kind. He said he had not. I asked him about life insurance. He told me he had an insurance or two upon his life, but they were not paid-up policies, or something of that kind, not considered by us valuable as security. I then asked him about the value of his house and lot, and he made the statement: I have forgotten how much,—\$5,000 or \$6,000. But still he made no suggestion with reference to the method of securing us. I said to him, if you have nothing to suggest possibly a suggestion from me would put you in a way of thinking of something. I said if you put a mortgage on the house and lot, it gives publicity to the mat-

ter. If the place could be sold, or transferred in the form of an absolute sale, there would be but little inquiry about it. A deed in trust, a kind of defeasance given back to you by the Regents here, would answer the same purpose as a mortgage to them, and it would give you the opportunity to redeem. He said he knew nothing about those things, but was willing to do that. We both explained to him the force of such a transaction, which would be equivalent to a mortgage, and he said he would do so. I asked him then for a description. He said he did not have it there, but had it at the house, his house being nearly across from where we were sitting, and offered to go and get it, and he did so; and while he was gone, Mr. Walker made up this statement that was given back to him,—that the deed was to be held in trust.

Q. He executed it and delivered it, did he?

A. He came back with his deed in his hand and then I spoke with him about his wife, possibly before he went over, but I think not until he returned; I said, "Here, Mrs. Rose must know about this, a deed from you without her signature would not work, and would raise legal questions." I said Mr. Walker and myself are both notaries, if you will speak to your wife about it, so that there will be no misunderstanding, we will step over and take the acknowledgment. He said he would rather not do that, that a neighbor of his was a notary, and he would fill out a deed. I gave it to him, and I think also gave him a copy of the defeasance, and he carried them both away with him, and we appointed a meeting after dinner. He met us promptly, had the deeds properly executed as we then understood it, to Mr. Knight, the treasurer, and we turned over the papers to him, and the matter ended there so far as that transaction was concerned. We had another interview with him.

Q. At the time of asking for this conveyance, was the amount of the deficiency in former years made known to Dr. Rose, or the probable amount?

A. No, sir; nothing more than this,—there was a talk about that. My present recollection is that the examination had passed over two years, or two and a half back of that year, and I said to him the deficiency for each of those two years appears to be about the same as for the year that you have settled for, or through your whole administration, it would be so much; if the deficiency should taper down as it were, towards the beginning of your employment in the laboratory, it would be less,—but we were unable to make any exact computation, and I said so to him; that the matter was so uncertain that no exact amount could be reached.

Q. Had not the parties made up a sort of index of the amount of deficiencies prior to that time; had not the committee seen them?

A. For the immediate year previous, I will say—I think for one or two years previous to that, but the work which was done for one or two years previous has been hastily done, and my impression is that at that time such was stated.

Q. Did Dr. Rose make any objections to getting this security?

A. I think I have given the whole interview on that point.

Q. And substantially as it took place?

A. Substantially as it transpired.

Q. Did you examine any certificates at the house of Dr. Douglas at the first meeting?

A. I am quite sure we did,—that is, we had securities which we examined and compared with the ledger to some extent. I don't know how much there was, there was some certificates there, a package of them at least.

Q. Had you ever acted upon a committee for the purpose of examining the books of the laboratory?

A. Yes, sir.

Q. Which committee?

A. That known as the last committee, the committee that reported last June.

Q. Were you present at a meeting of the Board of Regents when the report of the committee composed of Dr. Angell and others was rendered to the Board of Regents?

A. No, sir; I don't know of any committee ever being named composed of Dr. Angell and others.

Q. Do you know of any investigation that was made by Dr. Angell and others?

A. Yes, sir; Mr. Walker and I provided for that when we left that day after taking the trust deed.

Q. Were you present at a meeting of the Board of Regents when their report came in?

A. They never made any report that I know of.

Q. Was there never a report of the action of those persons submitted to the Board of Regents?

A. Not as such.

Q. Was not Dr. Rose suspended from his position in the laboratory upon the coming in of a report from Dr. Angell and Walker?

A. No, sir; it was on the coming in of a report from Mr. Gilbert and Mr. E. C. Walker. Their report was made up on the examination furnished by President Angell, Bennett, Knight, Rose, and Douglass.

Q. Have you the report of Mr. Gilbert and Walker that was submitted to the Board of Regents at the time of his suspension?

A. I didn't fetch it here.

Q. Has it been printed?

A. It is among the printed reports, and I have heard it referred to to-day.

Q. Up to the time that the security was taken, had this matter been treated by members of the Board and Regents as a mere inadvertence or irregularity, or a willful appropriation of the money by Rose?

A. There was no treatment of it by any members of the Board of Regents except the treatment given by E. C. Walker and myself. I don't know that any member of the Board knew anything about it, unless it was Col. Grant.

Q. In expressing yourself to him—

A. I expressed myself very nearly in the language I gave you. I said we are aware that there is a shortage for the last year, and aware that you have made a list that furnishes the amount, and paid it up. I also said to him that if it should prove on investigation that there was no fraud or willfulness in the matter, that we desired, as well as he might well desire, that it should be kept from the public.

Q. Why was he suspended from his situation after the coming in of that report of Gilbert and Walker?

A. The finding of that committee was that he had willfully taken the money,—that he had knowingly done it.

Q. The University at the time held the security that you have spoken of?

A. Yes, sir.

Q. Why was he reinstated after the coming in of the report of what is known as the Climie committee?

A. That is lodged in the breast of each one of the Regents. I voted against.

it, but there was a majority of them that voted for it. I can only gather why it was done from what transpired that night, and from the argument on the resolution to restore: largely, if not wholly upon the statement of Mr. Beal, that he had now gathered the material to show that he was entirely innocent of any wrong doing, and that he could show it.

Q. Did you give any direction as a member of the Executive Committee as to the manner in which the investigation should be conducted by Dr. Angell and others, that had been charged with the work in the first instance?

A. In connection with Mr. Walker, I should say that I did.

Q. What is the direction that you gave?

A. We spoke to Dr. Angell and Mr. Bennett, asking them to call to their aid Mr. Knight, and I think afterwards I saw Mr. Knight, individually, and that they should continue the investigation as they had commenced, by examining the vouchers and the ledgers and ascertaining the delinquent accounts. We also said to Dr. Douglas and Dr. Rose that they, being familiar with the accounts and books, should aid in that investigation. The material was to be gathered up, and when they had gone through with the investigation and ascertained all the delinquencies, that they were then to call the Executive Committee for an examination of their work.

Q. Did you request Dr. Rose to be present and participate in that investigation?

A. I most assuredly did, sir, and he promised to do so.

Q. You were a member of the committee that reported in June last?

A. Yes, sir.

Q. Did you participate in the full investigation of that committee?

A. I was here all the time, I think.

Q. How long did it take you to go through your accounts and make your reports?

A. I think we commenced our sessions about the 1st of June, and must have reported about the 16th or 18th. I don't remember dates accurately; the report will show probably.

Q. Did you notify Dr. Rose that he might be present and present his views of the matter at that investigation?

A. Yes, sir; orally and in writing.

Q. You did, personally?

A. Yes, sir. Not only that, but I had a talk and communicated with Rose and his attorney upon the basis of their being present, and have received directions from them with reference to questions to be put to the accountant who was at work before the committee met.

Q. Where did you find the papers and books which pertained to the accounts which you investigated?

A. In the hands of the Steward of the University.

Q. Was Dr. Douglass present during the investigation.

A. All the time, I should judge.

Q. How did you arrive at the amount of the deficiency which you claimed Dr. Rose should account for. Will you take your report and explain it to us?

A. In this way: The years 1870-1, 1871-2, 1872-3, 1873-4 we found, as we supposed, complete settlement papers between Dr. Rose and Dr. Douglas, which show conclusively that Dr. Douglas had turned over to the University, or had accounted for all the money that was turned over to him for those four years.

Q. Where did you find those papers?

A. We found them, some of them, with the vouchers themselves. In one year, 1873-4 I think, there were twelve packages of the vouchers. Apparently there had been twelve settlements that year, one for each month, and at each settlement the paper on which they settled, and which indicated the amount of money which was passed over by the assistant to the director, was wrapped around the package and corresponded with the vouchers in the package.

Q. That year was complete,—that is the wrappers on those twelve packages?

A Yes, sir. The other wrappers were found in the archives there in the vault in connection with the vouchers, but not wrapped around them,—papers corresponding to the papers that were wrapped around them,—and on the testimony of Mr. Bennett, they had formerly been wrapped around, but had been displaced and were pushed back, and some of them were just doubled up and tucked under the wrapper. I found three or four or more of them at one time; a wrapper strap was around some of the papers. The vouchers and a number of these settlement papers were tucked in in that way, and there were found in all about forty.

Q. What did you do with those papers?

A. As I stated, we supposed we found—and I think now that we found—four years of reports that were completely verified by those wrappers, showing, as I understood it, conclusively that the money that had been passed over for those four years to Douglas, had been passed over by Douglas to the Board, or fully accounted for. There was one other year, the year '69-70, where there were some wrappers found. There were ten, I think, of receipts from students and seven wrappers, leaving three entries in Dr. Douglas' report of that year where there were no wrappers. We concluded that for those five years Dr. Douglas has played honest with the Board; we concluded from that and the additional testimony, some of which I have referred to here,—the making up of this list, and one thing and another, sworn testimony that for the 5th year he had turned over all, as the wrappers were there for seven of the entries out of ten, and so we concluded for the five years all of the money that had reached the directors had reached us; had been accounted for. Then for the other year of investigation we had the proofs which are embodied in the report, and they have been referred to by Col. Grant, many of them without any vouchers at all. If there was no entry it could not be turned over; there were no stubs for a large amount of payments or accounts; these could not be turned over into the hands of Dr. Douglas if they did not exist. We knew that they did not exist—both the parties said that was the way they settled, and the only way—therefore we concluded as to those other years the deficiency was in the hands of Dr. Rose; so we left it in that way, and said of the deficiency, the whole defalcation of the money that is not reported here is in the hands of Dr. Rose, except the money which is represented by the initial *D.* on the delinquent accounts, and that we charged back to Dr. Douglas, with the exception of one stub.

Q. Did you reject all accounts for which no certificate could be produced?

A. Not in that way.

Q. So far as holding Dr. Douglas?

A. So far as individual accounts were concerned I don't understand in the making up of our decision that we accepted individual accounts; we simply took the report for the year that was explained by these wrappers.

Q. I understand about the wrappers: I am asking you about another matter

now. Did you reject so far as charging to Dr. Douglas all accounts for which no certificate could be found or produced?

A. That was the result of our finding, although we did not do that personally in regard to any account.

Q. Did I understand you correctly when I understood you to say that all the deposit money has been charged to Dr. Douglas' account and he is held for the accounting for it?

A. That is my recollection: that all the delinquent accounts that appeared delinquent on the ledger where the stub book showed that there was a letter *D* on the stub, we charged all that back to Dr. Douglas, making some \$1,100 and upwards, with the exception of one stub that was written "Douglas."

Q. What do you mean by a delinquent account?

A. I mean those accounts that appear upon the ledger as having been settled and paid for to the University and do not appear on Dr. Douglas' reports as having been reported.

Q. Dr. Douglas' reports to the Regents?

A. Yes, sir.

Q. In your investigation did you find in any year delinquent accounts that Dr. Douglas admitted as having received the money that did not appear upon a former statement?

A. I have no recollection of any such thing. There is a mass of that testimony; if my attention should be called to some point I might remember.

Q. Did Dr. Rose during the investigation admit of having received moneys that were represented by delinquent accounts?

A. Dr. Rose was not before us at all.

Q. Did not appear before the committee?

A. No, sir; he refused to come.

Q. Can you explain to me the reason of rejecting the accounts that correspond with stubs which were found that bear both the red line and the initial *D*, in reference to which no question as to the genuineness had been raised?

A. Yes, sir. As I understood it, both the red line and the letter *D* were fully traversed and denied by the settlement papers that were found with the vouchers.

Q. Which you designate as wrappers?

A. Yes, sir. We charged all those, as I stated to you before, back to Dr. Douglas.

Q. Did you understand that the red line was intended as a receipt for the ledger account when placed upon the stub?

A. No, sir.

Q. What was the use of the red line?

A. It was a receipt showing the difference between the deposit money and the ledger account when settled.

Q. The certificate itself upon its back would present the full amount of the ledger account?

A. Yes, sir, including the deposit item.

Q. And when that was placed upon the back of the certificate by Dr. Rose and the certificate itself turned over to Dr. Douglas, the red line would be drawn across the stub?

A. Yes, sir; that is the way I understood they settled.

Q. That in fact would be a receipt for the ledger account, would it not?

A. No, sir.

Q. Why not?

A. Because the ledger account would include the \$10 deposit which had already been receipted for by the letter *D*, and the red line is only a receipt from Douglas to Rose of the difference between the deposit and the ledger account.

Q. And the deposit of \$10 on the ledger account was settled?

A. Yes, sir.

Q. Did you in your investigation, where you found the red line without the letter, charge Dr. Douglas with the ledger account and not charge him with the \$10 deposit?

A. Where we found the red line and not the letter *D*?

Q. Not the letter?

A. I don't know how we concluded—

Q. I mean, did you hold him to account for it?

A. That was the result of our finding, because we found Dr. Rose responsible for everything except the letter *D*,—except the stub deposit, as I said before. We simply used those other things as evidence *pro* and *con*.

Q. Does your report here exhibit the accounts that appear upon the stubs upon which the letter *D* and red line are, less the deposit money in the first column?

A. The stub accounts with red line and initial *D*?

Q. Yes.

A. Those are delinquent accounts that had a red line and had the initial *D*.

Q. Delinquent accounts?

A. Yes, sir.

Q. Now, then, do the several items in that column for the different years represent the different accounts, less the \$10 deposit money, or is the \$10 deposit money included?

A. It is only the \$10 deposit money, the stub accounts with red line and initial *D*,—it must be the whole account.

Q. Then it includes the stub-money and the ledger account as well, does it?

A. And that class of delinquent account which had a *D* and a red line,—I should suppose it did. That paper is just what it purports to be: an analysis of delinquent accounts, in a finding upon which we based our final conclusion.

Q. Did your final conclusion vary the figures arrived at or shown in this table?

A. This found account of \$28.71, I think, is not involved in our final conclusion, and I do not know what the facts are with reference to that account. It seems to have been ascertained afterwards. Mr. Tregaskis will probably remember it.

Q. Do you remember whether or not the committee included in the account for which they held Dr. Rose responsible, the deposit money represented by the stubs designated in the first column?

A. No, sir; I don't think they did at all.

Q. Don't think they held him to that amount?

A. No, sir; we charged Dr. Douglas with all the stub money,—with all that had the initial *D* upon that was in these delinquent accounts; of course it could not then come into any of the accounts with the exception of the one that had the word Douglas on.

Q. Is that the statement that you had prepared during your investigation of the delinquent accounts, for which there was no certificates furnished?

A. There is something that looks very familiar about this; I think it is a list that was furnished by Mr. Tregaskis.

Q. Is any part of the several sums represented upon that list charged to Dr. Douglas and he held responsible for it?

A. I should say there was eleven hundred and seventy odd dollars. I think this is the whole delinquent list—that appears to be the whole delinquent list; there is eleven hundred and seventy odd dollars charged to Dr. Douglas, and he held responsible.

Q. That list is the delinquent list where the stubs exhibit the red lines and the letter *D*?

A. I can't tell you with regard to this, but my recollection is this of how we made up the account against Dr. Douglas: We took all the delinquent accounts that had the initial *D.*, S. H. *D.*, or *Douglas* on; we counted them up,—and most of them were \$10 deposits; there were some I think that were five dollars, and we charged him with every one of them; got them into a list, all that had the *D.* on; picked them out from all the delinquent accounts; we charged him with all, and took the stubs that had the word Douglas on, whether it was a \$10 or \$5, we deducted that, and said Dr. Douglas must pay the balance. That is my recollection—for the reasons given heretofore.

Q. Then you think none of the deposit money is claimed from Dr. Rose?

A. Oh, yes; because there are a good many accounts here that have no *Ds* on; there are no stubs for them at all. That deposit money of course he is charged with.

Q. I mean where there is a stub?

A. Where there is a stub and a *D.* on it.

Q. Can you find any stubs without the letter *D.*?

A. I think there are some. In the third column you will find two stub accounts with neither red line or *D.*, and one in the last column.

Q. With the exception of those three the stub money or deposit money would be required, and was required from Dr. Douglas?

A. That is my understanding of the intention of the committee; they may have made a mistake in the figures, but it was the intention of the committee to do that.

Q. Why didn't you require Dr. Douglas to account for the ledger items where the red line was found, irrespective of the letter *D*?

A. There were several reasons. In the first place the red line is found in a number of these delinquent accounts in '73-4, where the accounts were delinquent and where we considered the proof was conclusive that the money had not reached him. Again the red line appears in some of those accounts which Dr. Rose, as we understood, had admitted that he had not turned over in the last year, where he made up the delinquent list. Among others there were three or four accounts which he states he had the certificates for, yet they have been lost or mislaid; I think the red line appears on one of those. There was considerable evidence made up of various items, somewhat accumulative, that the red line in various instances was not reliable, if not altogether spurious, so that we ignored that,—took the other method of arriving at the results I have stated before, taking as the starting point the wrappers, and if that cut out the red lines, we allowed them to be cut out. The question of forgery came up; that we concluded not to determine upon.

Q. Then I understand you the wrappers governed you so far as they were found?

A. Yes, sir, and furnished the basis of our opinion.

Q. Did you examine the ledger to see whether any of the delinquent accounts would intervene between accounts that appeared upon the wrappers, both in reference to pages and dates?

A. Yes, sir. We examined that whole question with reference to dates and concurrent accounts. We found that some of the vouchers were returned; that there were other accounts in the ledger that were settled the same day. For instance, Brown and Smith settled their account the same day. We find Brown's voucher, and Smith's is wanting, and it would not appear on the wrapper nor in the package of accounts.

Q. You would find them on the ledger contiguous to each other, showing one account to be settled,—that Dr. Douglas raised no objection to it,—and the next account no voucher, posted up, the footings brought down and passed on after that, and found other accounts that had been settled for, and so on through the ledger?

A. I don't know as we found those accounts coming together in that way; I don't recollect as we did, but we found them near each other; we found accounts which were settled and had the vouchers for and other accounts near them that there were no stubs for, and therefore no vouchers. We may have found them immediately contiguous, I do not know.

Q. Did you find any deficiency in any of the years that had been accounted for by Dr. Rose to Dr. Douglas, and had not been accounted for by Dr. Douglas to the Regents?

A. I am not sure that I understand you.

Q. If you find any accounts that had been accounted for by Dr. Rose to Dr. Douglas, but had been omitted to be accounted for by Dr. Douglas to the Regents?

A. I have no recollection of finding any full account in that way; they were partial accounts, but this stub money we did find; we found that Dr. Rose had accounted to Dr. Douglas for certain accounts.

Q. I am not speaking of stub money,—stub money you hold Dr. Douglas on the hypothesis that he should answer for the letter *D*, but I mean through years where the accounts have been settled where there was no question in reference to them?

A. I have no recollection of any such case; we were debarred from following that very close in many of the years, because he reported the amount received in mass, a number of years, and it would have caused us a great deal of work to have picked them out.

Q. Were the Board of Regents conversant with the system of keeping accounts in that laboratory department?

A. I could not state for the Board.

Q. Had it had been a subject of discussion at any of your meetings?

A. The matter had been up in our executive session, and had been discussed among ourselves somewhat.

Q. When?

A. I should say probably two years previous; not as to the method of keeping the accounts in detail of the stubs and vouchers, but of the method of the finances being kept and distributed by the Director instead of going through the particular channel they do now. We had talked of changing the method before this thing came up, and it was changed subsequently. The matter had been under discussion.

Q. Had the Board of Regents ever required the Director of the department to render a statement of his disbursements and receipts?

A. Yes, sir.

Q. Did he ever render such a statement?

A. I know of nothing else only his accounts and the vouchers attached.

Q. His return?

A. Yes, sir.

Q. Did the Board of Regents ever inquire as to the amount of profit derived from drugs and chemicals sold in that department?

A. Not in particular that I know of; we had the data for reaching those things principally from the accounts, if they were correct.

Q. Did you ever know of any chemicals being sold by the Director of that department, outside of the department to outside parties?

A. No personal knowledge,—no knowledge reached me of any such transaction until the examination of our committee. There were then rumors of it, but I think there were no proofs; I don't recollect of any.

Q. What steps did the committee take to investigate upon that branch of the question?

A. I think upon further thought that there was a statement of the Doctor himself, that he had sold to parties: young men who had been in the laboratory, and who had studied there, graduated from there, and were instructing in chemistry in the schools of the State, came down and bought small lots of chemicals, and materia, also, I believe, such as blow-pipes and things of that kind.

Q. And which were accounted for in his statement?

A. Yes, sir. The ledger will show some sales of the laboratory to outside parties entered at the foot on some accounts in red ink, carried into the accounts.

Q. Did your committee take any steps to ascertain the price charged for chemicals.

A. Sold to students?

Q. Yes.

A. Yes, sir.

Q. What did you ascertain with reference to the price charged?

A. I think about this: that the price was determined by the price list of some New York house. The price list was kept on hand at the laboratory, within access to both the students and officers of the laboratory, and the assistant, Dr. Rose, was instructed to charge in the ledger, opposite these little printed items, as they are in the ledger, the price indicated by the price list of this New York house.

Q. Did the Board of Regents direct the Director of the laboratory to charge a per cent profit on drugs sold?

A. Not to my knowledge.

Q. You had examined the ledgers of the establishment in that department?

A. Yes, sir.

Q. Did the committee, during the investigation, ascertain what that percentage was charged for over and above the prices entered upon the ledger?

A. Not to my recollection.

Q. Take that page. Each item that is received by the student is carried out?

A. Yes, sir.

Q. What is that item there?

A. The percentage, I suppose,—is the percentage for gold and breakage, and so forth. That is the only additional percentage that I know of.

Q. This is about 50 per cent, is it not? Did the committee ascertain what that percentage was charged for, in their investigation?

A. No further than I have stated. I think it is for breakage, etc.

Q. Under the instruction of the Regents and their by-laws, the students were to have these chemicals at cost price, or the list price of New York dealers, were they not?

A. Yes, sir, with a modification implied, if not squarely stated, that there was to be enough margin to make us safe; and if there was any difference, it should be on our side, and the difference used in the purchase of apparatus.

Q. During the investigation of that committee, did you ascertain, for a fact for any one year, the amount of chemicals purchased and the amount of receipts from sales in that laboratory department?

A. No, sir, I think not. There is another question involved, if I may be allowed the explanation, with reference to the profits on the sale of those chemicals. The New York price list, at which the sales were to be made to pupils, as I understand, was considerably above the purchase price, and those chemicals the Doctor bought in New York; and, by buying in large quantities, at wholesale, he got them considerably below the price list; and the difference between that price list and the rate at which he got the chemicals, of course, was profit to the laboratory, and has amounted to thousands of dollars, and built up the laboratory.

Q. Are those price lists based upon the gold standard, do I understand?

A. I can state that not very clearly any more than I did before, but I understand that those were largely imported goods, and that it raised the question: Being purchased at gold price, and that those purchases made by the students were for our currency, and they were charged the difference of percentage between the currency and the gold standard.

Q. Are we to understand that Prof. Douglas paid for them in gold?

A. In gold rates.

Q. Not in gold?

A. I suppose he made the difference in the way of exchange. I may be wrong about that, but that is my recollection,—that that was one of the things that made the percentage that the counsel is asking about.

Q. During the investigation of that committee, did you ascertain the amount of net profit realized from that department for any year over which your investigation extended?

A. No, sir; that would have been impossible without an inventory, which I do not know was made at all. Of course, there are always odds and ends left there as stock on hand.

Q. During the six or eight years, over which your investigation extended, did you find that the inventory of the property of that department had ever been taken?

A. We never asked for it as I know of; I did not.

Q. I ask you if you found any such inventory?

A. No.

Q. You have had frequent conversations with Dr. Rose with reference to this deficiency?

A. Yes, sir.

Q. Both before and since the investigation?

A. Yes, sir. The first one I mentioned was Walker and myself.

Q. Before investigation was held?

A. That investigation had already taken place, as I have detailed to you ; but not before that I have not.

Q. You have talked with him since the matter has become public and investigations have been going on?

A. But very little since the matter has become public. Since it got in the papers I had one short talk with him one evening. He came to my place where I was stopping, and we had a little conversation.

Q. Did he ever admit to having received the money which is claimed to be properly chargeable to him, or the greater portion of it?

A. No other admission than I have already stated in our conversation.

Q. How long have you been acquainted with Dr. Rose?

A. I don't know. I don't think the Doctor and I ever spoke together but very few times. I have known of his being there ever since I have been on the Board of Regents.

Q. Know anything about his habits?

A. Only from hearsay. I know his general reputation with reference to his habits.

Q. Know any thing about his mode of living,—the style in which he has lived?

A. I never was in his house but once, and that was since the examination the second time, and just before the examination of the committee, of which I was chairman.

Q. Did he follow any other business to your knowledge while connected with the laboratory department?

A. No personal knowledge of his habits or method of doing business.

Q. The knowledge which you have derived by investigation, are you aware of any other business which he carried on?

A. Not by reason of investigation. Mere hearsay of things that he did, but nothing that he followed an occupation.

Q. Do you know what his salary was per annum?

A. It was increased from time to time. I think when he left the laboratory it was (I could not say; the records will show) about \$1,400 when he left the laboratory.

Q. Has it ever been more than that?

A. It never had been more than it was at that time. I remember the matter being before the Board once or twice for an increase, which was usually granted.

Q. In your examination, did you go back of the time when Dr. Rose came into the laboratory as an assistant?

A. About a year and a half.

Q. Did you find any delinquency or deficit back of that time?

A. We found a sum back of that time which we charged into the delinquent list,—\$25 in the year 1864-5.

Q. I see in your footings here for the year 1865-6, also, an amount of \$169.72. How do you account for that?

A. Delinquency of that year after Rose came into the possession of property and the business.

Q. That was after he came there?

A. Yes, sir.

Q. What time in the year did he come in?

A. Some time after the holidays, probably as late as February or March, following Mr. Lewis.

Q. At the time that you first mentioned this subject of the irregularity in the laboratory to Mr. Rose, you took his general manner and his conversation as expressing guilt?

A. Not conclusively at all.

Q. It did not?

A. No, sir.

Q. You say he was considerably agitated?

A. Considerably agitated. An innocent man may be that; a guilty man is more likely to be. I did not put it down as conclusive. It looked to me like an admission, to some extent, at least.

Q. In case Dr. Rose had paid over this money and the certificates representing the money, to Dr. Douglas, and Dr. Douglas had not paid that money over or the certificates to the Regents, who would you hold accountable for the money?

A. If we had found such a state of facts, Dr. Douglas would have been accountable.

Q. Could there have been such a state of facts?

A. We conceive it could be possible outside of the four years and three-quarters that we verify with the wrappers on those vouchers, but not probable. The conclusion was irresistible to the committee that formed our investigation.

Q. You found no wrappers for years outside of those?

A. Not outside of those five years. The evidence came in various ways aside from the wrappers.

Q. You, as a Board of Regents, offered every inducement to Dr. Rose, to take part with you in the examination, that was in your power,—you gave him the privilege of looking over the books, did you?

A. Yes, sir.

Q. Examine them with you?

A. Yes, sir,—copying them under some restrictions, some surveillance; not any restrictions as to limit.

Q. He had the same opportunity that Dr. Douglas had?

A. Yes, sir.

Q. I see by your report at a certain meeting of the Board of Regents you refused him any further use of the books?

A. After a discussion, after he ceased to be an employé of the University.

P. Did you have these stub books which I now show you when you were making your investigation?

A. I believe we had all the stub books.

Q. Did you have those?

A. Those do not look familiar; I don't think we had any books but what had backs to them.

Q. You don't think you had either of those three?

A. I will look at them. The best of my knowledge, I never saw them; I am quite sure we did not have them on the investigation; I believe those are wholly without any *D's* on.

Q. What opportunity, if any, was given Dr. Rose to appear and present evidence, and be heard by the committee?

A. Dr. Rose had all the opportunity that could possibly be extended to any one to come there before the committee, and with that evidence and be heard.

I communicated with him previous to the meeting of the committee; he had dictated questions to me to put to Mr. Tregaskis, who expected to be on the ground as accountant before the committee met. There was no intimation by him or his counsel by any one of the committee but what he would be present. I also communicated with him and his counsel, and there was no intimation on the part of either but what they expected to be on hand. If I recollect, his counsel had also submitted questions to me to be put to Tregaskis. The whole arrangement seemed to be entirely amicable between all parties, up to the time the last investigation committee met, when we heard of his refusal to appear.

Q. Dr. Rose having refused to appear, state whether the committee confined its action to the examination of such evidence as Dr. Douglas saw fit to produce, and if not, how did it proceed, and what did it do?

A. It did not confine itself to the evidence which Dr. Douglas saw fit to produce, or the evidence which Dr. Douglas did produce by himself, and counsel, and witnesses. That I should say was a small part of the evidence reached by the committee; they examined all the records, and examined the witnesses orally, the testimony being taken under oath. We went into the vault at the University and got all the material that had any bearing upon the matter, and set ourselves about to personally investigate all the facts, vouchers, and documents; spent a number of days making an investigation,—a personal one ourselves, besides calling witnesses that Dr. Douglas had not called.

Q. Do you mean that you did not charge Dr. Douglas any portion of any account where any vouchers was found—did you not charge Dr. Douglas with the deposit shown by the stub bearing the initial D?

A. The answer to the last question included the other. We did charge him with the stub money where the stub showed the initial D, or attempted to.

Q. Were there not many delinquent accounts, called forfeited accounts, the stub or deposit money represented by which Dr. Douglas had accounted for?

A. Yes, sir.

Q. Explain what you mean by a forfeited account?

A. A young man should come into the laboratory and commence work, having made his deposit of \$10, he would draw out \$10 worth of chemicals and some more, and go away without settling his account. Ten dollars was left in the hands of Dr. Douglas if the transactions had been regular between him and Rose. After the man had been from the laboratory a sufficient length of time, so that the officers determined that he probably would not return to finish paying up his account, the stub was marked across it with a line, and the word "Forfeited" written upon it, and the \$10 which he had paid was then paid over to the University; and the reports of Dr. Douglas will show a good many hundreds of dollars, I think, that are marked as forfeited, of those \$10, and the University is out the rest of the account. It was never balanced on the ledger, and the University is out that much.

Q. Does not the deposit money represented by many of the accounts in the first column, page 35, of your report show that it had been accounted for by Dr. Douglass as forfeited accounts?

A. I think likely that was so. When I was testifying before that matter of forfeited accounts did not come to my mind. He did account for a great many dollars' worth of forfeited accounts.

Q. Where Dr. Douglas had reported amounts in gross, did not the vouchers and wrappers enable you to analyze the gross amount, and did you not thus analyze them?

A. We did, so far as we had wrappers; so far as the wrappers were applicable we analyzed all of them, and they tallied exactly.

Q. Did you make any inquiry about any inventory of chemicals, etc.?

A. I did not, that I recollect of.

Q. Was any made?

A. I have no recollection whether such an inventory had been made or not of chemicals on hand in the laboratory after the sales of a year.

Q. At the time Rose was refused access to the books, was not Dr. Douglas refused such access?

A. I am quite sure that he was; I am well aware that he has solicited access since and been refused. I know that personally.

Q. Was it not possible for Dr. Douglas, if he were so disposed, to take out a part of the certificates and make a wrapper with figures to correspond to the certificates?

A. I think nearly everything is possible in this world. I think he would have had to have forged very ingeniously the wrappers. They show wonderful marks of genuineness.

Q. In Dr. Rose's handwriting?

A. What is supposed to be Dr. Rose's handwriting, and sometimes in Dr. Douglas', where they have added and subtracted and then charged the amount up to the fund to be paid over that Rose had evidently paid out directly during the time, statements for various things he paid back money; he bought materials and things of that kind. We had evidence of both parties on that point.

Q. Are the figures on the wrappers any positive evidence of the corresponding settlement with Dr. Rose?

A. The figures alone,—no, sir. The whole wrapper, together with the vouchers, corresponding, and the facts as acknowledged and stated by both parties,—yes, sir, to my mind. The figures alone,—no, sir.

Q. State fully your interviews with Rose and with his attorney, Sawyer, in regard to the investigation by the last committee?

A. Previous to the investigation, or previous to our coming together to investigate, I had had occasion to come here to Ann Arbor to make preparation for the meeting of the committee, and to put the accountant, Mr. Tregaskis, to work. I think I was here two different times. One time I met Mr. Sawyer, the attorney of Mr. Rose, in his office, and we had a friendly and courteous talk about the matter without any intimation, but that the parties would present their case on both sides. And I was here at another time after the questions had been submitted that were to be submitted to Tregaskis, and I met Dr. Douglas, and he handed me, I think, three additional questions, or suggested them. I felt that it was only fairness to Dr. Rose that he should know them; and if he wanted to ask other questions, if those suggested others, he should have an opportunity. I went to his house and met him at the door, and told him that I had seen Prof. Douglas, and he had suggested such and such additional questions. I there gave him a statement of them, and said to him that if he had any other questions that he wanted to add, that I would also take those, and the committee would take them under consideration and see that they should be submitted to Tregaskis. He said he would see me again, and I went to his house a second time, and then he invited me into his house, into his library, and showed the materials he had been working up for the investigation; told me they had made copies of the records of the laboratory, and showed me quite elaborate books and copies that were made; told me the amount of work they had put

upon them to some extent, and the general presumption was this was the preparation that they were making for our committee. During that interview Mr. Sawyer came there, and we talked over the thing generally, in connection with other matter. I don't remember anything else specific in that interview, only that there was no intimation that they were not coming before us; but the intimation, on the contrary, was that they were, and they were making most ample preparations for doing so. He also communicated with me through his counsel, by sending me a series of questions. That was previous to this. And I also had a series of questions from Dr. Douglas' counsel. I attempted to embody all of them into the question which I did submit to the accountant, and did so when the committee got together.

Q. Did you take any means to get Rice A. Beal and other persons to appear before the committee and testify?

A. Yes, sir.

Q. What were they?

A. In the first place the committee determined to meet on a specific day, and we invited Dr. Douglas and Rose and Beal,—notified them of the day we should meet. We afterwards met, and when we got into the investigations we sent written invitations to them to appear before the committee and testify, and give any evidence which they might have in the matter. I have copies of those at home, and forgot to bring them. I reserved copies of them.

Q. Did the committee offer to allow Dr. Rose to appear and testify to whatever point and upon whatever subject he saw fit, and to confine the cross-examinations to the subject on which he had testified in chief? If so, was the offer declined by Dr. Rose?

A. Yes, sir. The facts in that matter were like this: The counsel for Mr. Rose said to the committee, in open committee meeting, that matters were pending in court which involved these same series of fact which would be developed there; that it would injure their suit to put Rose upon the stand and allow him to be examined by such counsel as were present, Pond and Hughes; that they did not propose to develop their case in court; that they might try to get out all they could. We proposed to the counsel for Rose that Dr. Rose should come upon the witness stand and they could examine him upon any point which they saw fit, and the cross-examination should be held within the direct examination, should not travel outside of the direct examination. This they declined.

Q. That was the first time you learned that Rose intended not to appear before the committee?

A. It was during that investigation; he had refused to appear before the first committee.

Q. Was Mr. Beal notified to appear before the committee?

A. He was, sir,—a written notice; and he came before the committee and made an explanation through his counsel, Judge Crane, why he could not appear.

Q. What reason did Beal give for refusing to go before the committee?

A. His attorney, Judge Crane, said he had difficulty in keeping his client Beal from going in before the committee, but he had succeeded by employing other counsel in restraining him. He considered it necessary to do so on account of the suit which he had with Dr. Douglas involving the same of a portion at least of the facts involved in this matter. The explanation, my recollection is now, was made in writing and was filed with the committee, and of course

is one of the exhibits. It was not printed, but must be on file somewhere. But he did not come, and that was the gist of the explanation.

Q. What portion of the deficiency occurred in the year in which were found the memorandum of settlements between Douglas and Rose?

A. A very large proportion. I can tell by refreshing my memory from this. The years '70-1, '71-2, '72-3, '73-4—these wrappers were a complete tally with the reports of Dr. Douglass, and showed an aggregate deficiency of \$3,-815.56. The other years, '69-70, the wrappers were not complete, and my recollection would be the wrappers for all those items of \$10 in that year there was in fact more shortage to make the whole amount \$4,386.61. For the five years have the wrappers been complete out of \$5,307.

Q. State what occurred at the meeting of the Board when the two resolutions were introduced there, found on page 45 and 46 of the record, of the Board in regard to bringing Rose to testify.

A. The report had been submitted, I think in the forenoon of that day,—this is the afternoon of the meeting. Now when Dr. Rose came in with his counsel and asked permission to submit his case before the Board,—I don't remember very distinctly about the details of that matter, I was sick that day, but I remember that Mr. Sawyer was there, and Mr. Beal and some other gentleman, representing Mr. Rose, and that they had a large volume of papers, or a large mass of papers that were worked up for the occasion, and they proposed to submit the matter. The discussion of the Board at that time indicated that their understanding was that they were going into the details of that examination again. Following their proffer to go into the examination before the Board, Regent Climie submitted the resolution found on page 45, and Regent Walker introduced the preamble and resolution found on the next page, permitting Prof. Rose to come before the Board, be sworn and be examined, but it in effect cuts off any examination into the details of those accounts again. That he refused to do. The discussion was an index of the feeling of the Board; that there were two investigations while he was in the employ of the Board,—a servant of the Board refused to come before their appointed committee and make his defense as he had been cited to do, the committee would not at that hour, after committee had investigated it independently of him, allow a detailed investigation to be gone through with again. That was opposed by a majority,—that resolution allowing him to come and testify individually.

Q. You, as a member of the Board of Regents, felt as though you have done all you could do thus far?

A. I can only speak for one. I feel that I have done my duty in the matter, and as near as I can do it, taking into consideration the errors that human flesh is heir to.

Mr. Kelley:

Q. Are those your figures?

A. Those pencil marks are mine.

Q. Why did you make that deduction?

A. I don't know what it is.

Q. It is the total amount of letter *D*; I see a deduction made of some two hundred odd dollars, why was that?

A. I would give it as an opinion, without recollection, that that was some of those forfeited accounts that had been picked up.

Q. Do you recollect whether your report shows the amount of forfeited accounts that have been accounted for by Dr. Douglas?

A. My recollection is that it does not. I think it was a table that should have accounted our report that was not printed with it.

Q. Do you know where it is?

A. No, sir; I think it was made from the statement Mr. Tregaskis made.

Mr. Tregaskis.—I don't think so.

REGENT M'GOWAN RECALLED.

Examined by Mr. Taylor:

Q. Are not all salaried officers of the University of Michigan appointed by resolution of the Board of Regents?

A. Since I have been a member of the Board I think that has been invariably the case.

Q. Is that not the law of the University, or one of the by-laws?

A. I could not say that it appears in the by-laws. It has been the invariable rule, as far as I know, since I have been a member of the Board, as to officers. There have been employes that have been paid, I think, salaries.

Q. I understood you in your testimony to say that Dr. Rose was employed by the Board in 1866, in April some time, or March?

A. I don't think I testified to that effect. I said he came into active duty there in 1866. That was previous to my coming on the Board. I don't know what action was taken. I never looked up the records with reference to that. It is a fact that men are employed by the Steward,—men are employed by the Executive committee, or officers of the committee; frequently do things temporarily until the Board meets.

Q. At the first meeting of the Board it is brought to the notice of the full Board of Regents?

A. Yes, sir; unless the employment of the Janitor or something of that kind, where there is general authority given,—the employment of carpenters.

Q. I wish you would look up the resolution at your leisure as to the employment of Dr. Rose. Is not that the by-law under which you act in the election of officers of the University?

A. Yes, sir. A pamphlet containing the laws and by-laws of the University, page 12, chapter four, section one, entitled "salaries." "The salary of each officer, professor, and instructor, and every person employed by the University, shall be fixed by resolution, subject to alteration, at the discretion of the Board, at the time the appointment should be made, and the Secretary is authorized to draw his warrant therefor on the Treasurer, to be countersigned by the President as the same shall fall due. The fiscal year for the payment of salaries shall commence on the first day of October, and salaries shall be payable quarterly on the first day of January, July, and October, of each year. No quarter's salary shall be paid until a quarter's service shall have been rendered." I presume that is the by-law under which we have acted; at least since I have been a member of the Board that action has been uniform.

Q. Now, will you find and present at our next meeting the resolution under which Dr. Rose was appointed, under that by-law?

REGENT M'GOWAN RE-CALLED.

Examined by Mr. Taylor.

Q. When you were on the stand before, I asked you if you could ascertain by what authority and when Mr. Rose was appointed assistant in the laboratory?

A. I have run through the proceedings of the Board and the records of the

University and ascertained as accurately as I could, in the length of time at my disposal, such action as has been taken in reference to the employment of Dr. Rose, and the authority by which he was employed. I find in the proceedings of the Board of Regents in March 1863, on page 165, the following entry: "Regent Bishop, chairman of the committee on the chemical department, to whom was referred the communication of Assistant Prof. Debois, requesting to be made Professor of pharmacy and organic chemistry, submitted a report; the report was accepted and the said recommendation was adopted." We, therefore recommend that from and after the present college year the professor of chemistry be authorized to employ three assistants at the following salaries, namely: the first assistant at \$300; the second assistant at \$250; the third assistant at \$200, subject to the approval of the Board of Regents." And during the meeting of June, 1863, page 172, on motion of Regent Bishop, the appointment of assistants by Professor Douglas was approved and affirmed, to take effect on the first of October next, namely: Albert D. Prescott, first assistant, salary \$300 per annum; Henry S. Cheever, second assistant, salary \$225 per annum; Dexter V. Dean, third assistant, salary \$225 per annum. The catalogue of 1864, shows the names of these three assistants, Prescott, Cheever, and Dean. The report of the Regents to the Superintendent of Public Instruction for the year ending June 30th, 1864, shows two names as assistants, to-wit: Lewis and Pinkham, a change having occurred since the making of the catalogue. The catalogue is made in January, usually, and these reports are made in September or October for the year which precedes the making of the reports. The catalogue of 1865 contains the names of Cheever, Hough, and Lewis as assistants. The catalogue of 1866 contains the names of Lewis and Pinkham as assistants, and the catalogue of 1867 contains the names of Rose and Rising. The report of the Regents to the Superintendent of Public Instruction for the year ending June 30th, 1866, page 61, gives in the list of professors and employés of the University, the names of Preston B. Rose, M. D., as assistant in chemistry, salary \$300, and William B. Rising, B. A., assistant in chemistry, salary \$250. It would be the report for the college year ending June 30th, 1866.

Q. Were all of these changes based upon this first resolution?

A. No, I think not. I think you will find that I have other proceedings. The proceedings of the June meeting, 1865, page 101, the Regents adopted the following resolution: "*Resolved*, That an assistant professor of chemistry and lecturer on organic chemistry and metallurgy, at a salary of \$1,000 per annum, be employed, and that the remaining two assistants now authorized to be employed, be paid respectively \$250 and \$300 per annum." That was in June, 1865. The employment of Rose took place in March, 1866, following. In the proceedings of 1868, page 302, I find the following entry: "The President, on behalf of the Executive committee, presents the following report since the last meeting of the Board: Two matters of importance require attention that could not safely be postponed. Dr. P. B. Rose, assistant in chemistry, who has for several years been employed in the laboratory and acquired great familiarity and efficiency in his particular duties of his position, resigned his place, his salary being but \$500 a year, of which \$200 was paid from the proceeds of the laboratory. It would be a great loss to the laboratory to spare the services of Dr. Rose, who has dispensed the chemicals to students, keeping the accounts, besides rendering other valuable services. The committee, therefore, agreed to promise Dr. Rose \$500 a year from the University, with the understanding that Dr. Douglas would add \$300 a year from the proceeds of the laboratory." Then

the report speaks of the well on the south side of the ground, and other matters. The report was adopted, and, on motion of Regent Walker, the appropriation was modified somewhat. In the proceedings of April, 1869, page 327, Rose's salary was increased, by a resolution of the Regents, to \$1,000. In the proceedings of June, 1871, page 105, Dr. Douglas recommended an increase of the salary of Rose, and the matter was referred to the committee on medical apartment. I do not find that that committee reported. In the proceedings of 1875, page 452, the Regents, by a resolution, made Rose's salary \$1,250. I took it for granted that you wanted the whole history of the report.

Mr. Taylor—Yes, sir.

A. In the proceedings of October, 1865, page 485, the Regents, by resolution, made Dr. Rose assistant professor of physiological chemistry. Previous to that he had simply been assistant in the laboratory. He now was made assistant professor of physiological chemistry. In the proceedings of December, 1875, on page 500, the resolution was passed suspending him. These proceedings I have here. Rose's name as a salaried employé of the University appears in the reports of the Regents, to the Superintendent of Public Instruction, from 1866, the year that he first commenced action, to 1871, inclusive, those being the years that I have examined, and probably for the subsequent year. There is no record that I have found formally affirming the appointment or employment of Lewis, Pinkham, Hough, Rising, or Rose as assistants in the laboratory. They evidently were employed under the resolution of March, 1862, authorizing the employment of three assistants, and the subsequent resolution of June, 1865, authorizing the employment of two assistants. They all appear in the catalogues and the reports to the Superintendent of Public Instruction. I have only one of the reports of the Superintendent, but the proceedings to which I have referred, I think, are all here, and the catalogues of 1864, 1865, 1866, and 1867, which I submit to the Board as a part of the request which they made of me to look up the record.

TESTIMONY OF E. C. WALKER—DIRECT EXAMINATION.

By Mr. Taylor:

Q. Mr. Walker, are you one of the Regents of the University?

A. Yes, sir.

Q. How long have you been Regent?

A. Since 1863.

Q. Are you acquainted with Dr. Douglas?

A. Yes, sir.

Q. Was he connected with the University at the time you became Regent?

A. Yes, sir.

Q. Are you acquainted with Dr. Rose?

A. Yes, sir.

Q. How long have you known him?

A. Ever since he was connected with the University.

Q. Do you recollect at what time he was first identified with the University?

A. I am not very certain; I think it was about eight or nine years ago.

Q. When you were Regent?

A. Yes, sir.

Q. In what capacity?

A. I do not remember; some subordinate capacity—I do not remember exactly what—in the chemical department; and subsequently his salary was

advanced, and he was elected by the Board to the position which he occupied as assistant to the laboratory,—the place which he has occupied for the last eight years.

Q. Do you recollect at what time he was advanced to that department?

A. I do not remember. I could tell by looking at our record.

Q. Was Dr. Douglas in charge of the laboratory when you were connected with the University?

A. Yes, sir.

Q. What has been your mode of settlement with that department?

A. I do not remember, as I have never been upon the finance committee. Every year there was a settlement with the finance committee, and that settlement was reported to the Board of Regents and acted upon.

Q. What become of those reports made by Dr. Douglas to the Board?

A. Placed in the records of the corporation.

Q. When did you first learn of any defalcation in that department?

A. In October, 1875.

Q. How did you become acquainted with that fact?

A. I received a letter from the President.

Q. Will you state your knowledge of the matter since that time?

A. In response to the letter, I came to Ann Arbor, and found Regent McGowan here. We then had an interview with President Angell; Dr. Douglas, Mr. McGowan and myself had an interview, and looked over the accounts and the system of book-keeping for the year 1874-5, until we understood how the deficiency, if any, occurred, and then we consulted with the Regents. Mr. McGowan and myself consulted together as to what our duty was, it being reported to us that there was not only the deficiency of 1874-5, which had been paid by Dr. Rose, but that there were also deficiencies in the two previous years. We then considered it our first duty to direct our first efforts to save the University from further loss, if possible. Accordingly Mr. McGowan and myself sent for, and he met us privately in the President's room. Mr. McGowan then stated to Dr. Rose that they had learned from the President that there were irregularities in his accounts for the year 1874-5, which he had paid; that besides that, examinations had been instituted into the accounts for the two prior years; and he was surprised it was found there were irregularities and deficiencies in those accounts for those two years. We were called then to see him, notify him of that fact, and see what we could do about it. Dr. Rose was a good deal agitated, a great deal so, at this announcement; very much disturbed, and said that it might be that mistakes had occurred. Made no protestations of innocence, or denial of the facts.

Q. Were there any charges at that time made in Rose's presence, of embezzlement of the money, or misappropriation of the money?

A. We put it to him not in the form of a criminal charge, but just stated the facts,—that those accounts were irregular and deficient. We did not say anything to him; we did not think it policy to do so,—to make any charge, but that those accounts were irregular, and that there were deficiencies in them. We then stated to him that we felt it our duty that something be done to secure the University against further loss, and we asked him what we could do in that regard. He stated that he had no property except his homestead, which had upon it two mortgages, the last of which was given to raise money to pay the deficiency for 1874-5; and we asked him if he was willing to secure us upon that as far as it would go, for any deficiency that might be found in other years.

He said he was. I might say here that we had no idea that the deficiency was going to amount to as much as it did afterward. We then talked over with him the method of doing. Another mortgage was suggested. It was finally concluded that a trust deed be made out to Mr. Knight, the treasurer of the University, and that Mr. Knight and the executive committee should give him back the paper in the form of a declaration of trust, stating that we had received a deed of this property solely to secure the University against any deficiency or indebtedness that might be found due from Mr. Rose to the University in his accounts. Mr. Rose assented to this plan, and we adjourned the meeting until 2 o'clock in the afternoon,—prior to which, however, he furnished me, if I remember aright, with a description of his property, and I drew the deed. He took it to be executed; and at 2 o'clock we met him again, and he produced the deed already executed to Mr. Knight. I drew the declaration of trust, I think, and it was signed by Mr. Knight and by ourselves, and that was delivered to him.

His deportment in the afternoon was entirely different from what it was in the morning. In the afternoon he said that mistakes would occur, and he very likely made mistakes, and was much more cheerful than he was in the morning, and put it on the ground of accident or mistake a great deal more than in the morning.

Q. At that time how did you derive your information as to the deficiencies prior to the years 1874-5? from what source?

A. From the statements of the President, from the examinations he had made on the subject.

Q. Had he at that time examined the report?

A. I am not sure that he had a statement there, but he was informed in some way about what was supposed to be the amounts of the deficiencies for those two prior years.

Q. Were those statements in the form of a report or of a memorandum?

A. Not even that,—only a parole statement. They just made a statement of deficiencies of \$200 or \$300.

Q. What further action was then taken?

A. Mr. McGowan and myself could not remain to make this thorough examination as was required, and left it with the treasurer, Mr. Knight, to be assisted also by Dr. Douglas and Dr. Rose.

Q. Was it the instruction of the Regents that Dr. Rose should be advised in regard to it?

A. Yes, sir. I would say here that the report of the committee made in December following was drawn by Mr. Gilbert the night before it was presented to the Board, and in that he makes the statement that we were appointed a formal committee. That was Mr. Gilbert's impression at the time; and I agree in my own mind exactly with the testimony of Dr. Angell this morning,—that there was no formality at all in the appointment of that committee. I said, call in Dr. Rose and Dr. Douglas, and when you get to the bottom of it send word back. There was no formal committee, although the report signed by myself and Mr. Gilbert does say so; but it was an oversight on my part.

Q. Have you made any personal examination of the books?

A. Yes, sir. We were subsequently called back to the University, when these parties were ready to announce the result of their labors; and Mr. Burt, one of the executive committee, was unable to come, and the chairman of the finance committee, Mr. Gilbert, also came, and Mr. McGowan, although Mr. McGowan was not there all the time. Mr. Gilbert and myself sat down, with the help of

Secretary and the President, who knew how to do it, and went right through with all the accounts for the years named, examined all the stubs and all the vouchers, and checked them through from beginning to end with our own check marks, until we were satisfied with their correctness; and after we had so done, we signed the report signed by Mr. Gilbert and myself, which was made at the meeting in December. When we reached the University we found on file with the President a protest of Dr. Rose directed to ourselves, which is found on the 488th page of the proceedings of the December meeting; so that in making that examination we had not the assistance of Dr. Rose at all. He had declined to act with us, or submit to our jurisdiction.

Q. Did you compare the stubs and the vouchers with the ledger?

A. Yes, sir.

Q. Did you find any accounts in the ledger for which there were no stubs?

A. Yes, sir. There were a number of such accounts, but I am not sufficiently familiar with the books to point them out.

Q. Can you state the number of stubs so missing?

A. I cannot unless the committee will permit me to examine my report drawn at that time. [Witness examines the report.] On page 485 we report that we found 161 accounts between the years 1869 and 1875, of which there were no stubs at all.

Q. Well, did you designate on the ledger those accounts so that we can now turn to them?

A. Did not. There are others here who can point them out.

Q. Had the Board of Regents prior to 1874 ever recognized Dr. Rose as an assistant?

A. He was appointed by us originally, but we had no direct communication with him, because our course of business did not require it, except that he was paid his salary regularly.

Q. Did Dr. Douglas ever intimate there was ever any deficiency in the laboratory funds?

A. Never; never any suspicion of the kind.

Q. Were you present at any time when Dr. Douglas and others advised suggesting this deficiency to Dr. Rose?

A. Yes, sir.

Q. Do you know what had been done in the direction of meeting Dr. Rose in reference to the money missing prior to your coming?

A. I saw by a document in Dr. Rose's hand-writing, that he had paid over the deficiency for the years 1874-5.

Q. Did the Regents ever examine the system of keeping accounts in the laboratory?

A. I do not think the system has ever been examined since I have been in the Board. It was a system in vogue in the days of our predecessors, when Mr. Bishop here and ——, and we never altered it at all; and under the management of Dr. Douglas it had been every year steadily a source of great profit to the University. A great share of the apparatus, and even some of the buildings of the department, have been built out of the profits of the sales of drugs to students during these 20 years, the profit from each student being very small, of course.

Q. Who did the purchasing of chemicals for that department?

A. Dr. Douglas.

Q. And the disposal of the apparatus, etc.

A. Dr. Douglas. It was all in his charge until he had obtained an assistant.

Q. His assistant never accounted for it?

A. Not directly.

Q. In his own name?

A. No, sir.

Q. About what time was the present system of bookkeeping adopted in that department?

A. Before my day.

A. Have you ever had anything to do with the investigation of the laboratory funds?

A. No, sir.

By Mr. Mills:

Q. Was the present system in vogue then?

A. Until lately; we have an entire new one now.

By Mr. Taylor:

Q. When the President called you to Ann Arbor, with whom did you consult?

A. Mr. McGowan and I came together, and we consulted with him and Prof. Douglas. Prof. Douglas told how he discovered the deficiency, how it came to pass, all the details of it, and how it had gone for prior years.

Q. Then I understand you to say that you did not appoint a committee to investigate this deficiency?

A. We left the deficiency to be investigated by the President, the Secretary, Mr. Knight, Dr. Douglas, and Dr. Rose. It was to save us the trouble, that was all. I might say here that in our first interviews with Dr. Rose he expressed his willingness to aid us in the examination of these matters.

Q. When did you hold your first interviews with Dr. Rose after arriving in Ann Arbor?

A. We arrived in Ann Arbor on the evening train, and we spent that whole night in examining the matter. At 10½ or 11 o'clock the next morning we called for Dr. Rose.

Q. When Dr. Rose showed excitement, will you please express the signs of it, if you can?

A. For a time he shook all over like that [giving example], and I think he turned pale somewhat, seemed considerably affected; but soon afterward recovered himself.

Q. You stated that there was a great source of profit in the laboratory?

A. Yes, sir.

Q. How does that arise?

A. The wholesale establishments of New York issue drug prices; but when they sell at wholesale they make very large deductions to wholesale purchasers, especially to institutions like this. The Regents many years ago, I think before this Board was elected, passed a rule that chemicals should be sold to students at the wholesale list prices in New York. If Dr. Douglas, for instance, should buy at wholesale prices, at 20 per cent. thrown off, and sell to the students at the nominal prices, he would make 25 or 30 per cent. The students, of course, could buy chemicals and apparatus wherever they pleased; and the rate in the laboratory has always been as low as it has been anywhere. We have always been very glad to make a little something from the students for the benefit of their own institution in which they were getting an education.

By Mr. Kelley :

Q. Can you state the amount of profit derived for that laboratory in any one year?

A. No, sir; I cannot.

Q. From what do you derive your information?

A. The annual reports of the finance committee, the annual settlement with Dr. Douglas. And if, for instance, Dr. Douglas asked for any enlargement of a building, or an additional structure, and there was no money in our hands for the purpose, he would say that out of the profits of the laboratory he would be able to do it; and thus we were enabled to know that the laboratory sales were bringing in some profit every year.

Q. Were there any annual settlements which show in any one year that amount of profit?

A. I have no doubt there are; but not knowing where they are, I could not tell.

Q. Were the Regents specifically informed of this profit?

A. I think so. The annual accounts of Dr. Douglas will show the amount of profit.

By Mr. Taylor :

Q. Can you show by the books and records of the laboratory how much money was received by that department before Dr. Rose became connected therewith?

A. I do not know that I could. I presume some system prevailed, but I do not know.

Q. Have you the letter that President Angell wrote to you?

A. I have n't it here.

Q. Could you produce it?

A. Yes, sir; it is at Detroit.

By Mr. Kelley :

Q. Mr. Walker, did the Regents publish an annual statement of the finances of the University?

A. Yes, sir.

Q. Are those statements kept on the file of the Board?

A. Yes, sir; from year to year we are obliged by law to render to the Superintendent of Public Instruction a statement of the finances of the University.

Q. In those statements are the statements of Dr. Douglas embodied?

A. No, sir. I do not think those annual accounts were ever embodied in the report to the Legislature.

Q. Are the reports of Dr. Douglas now on file in possession of the Board?

A. Yes, sir. These reports that were on the table here this morning, make up one side of these accounts. I presume the other side can be made up from bills.

By Mr. Taylor :

Q. Could the Board of Regents produce these reports back as far as this investigation reaches?

A. No doubt of it. The secretary could do it.

A voice—They are in the trunk here.

By Mr. Mills :

Q. Could you identify those reports if we should produce them?

A. No, sir; I am not sufficiently familiar with them.

CROSS EXAMINATION.

By Mr. Taylor :

Q. Was Dr. Rose admitted to the interview with you, Dr. Angell, Mr. McGowan, and Dr. Douglas, or did he know of any such interview at the time when you came here at the call of President Angell?

A. Dr. Rose knew nothing of our being here at all until he was called before us in the President's room in the morning.

Q. In your testimony in June last, did you not swear that what you said to Rose,—that “it had come to your knowledge that there were irregularities in his accounts, and that he, Rose, had paid over to Dr. Douglas certain money which was alleged to be irregular, but irregularities had been found in other years, Dr. Rose was considerably agitated, and trembled and said that irregularities might creep into any accounts of such a character, and that he was willing to make good any loss that might come to the University?”

A. That is the substance of what I have sworn to to-day. He did not say that he was ready to make up any deficiency until we asked him. He did not volunteer any such statement as that.

Q. [Continuing]—“And Dr. Rose acknowledges to us that he may have made errors, but did not confess to any guilty action?”

A. That is true.

Q. [Continuing]—“And that he, Rose, at that time seemed to take the matter only as a mistake, and we made an amicable arrangement with him?”

A. He treated it as a mistake, especially in his second interview. When we first informed Dr. Rose of those irregularities, he said it might be so.

Q. [Continuing]—Also, “Rose was charged with no fraudulent defalcation?”

A. This occurred just as I said at this time. We did not bring any railing accusation against him.

Q. It was at this time spoken of here that he showed the excitement which you have testified to?

[Continuing]—And also that “when we asked for security we did not present the matter as a charge against him, but said there had been irregularities, and wanted to secure the University from loss?”

A. That is right. I said so. We treated it in a pretty serious manner, though. It was a pretty serious matter on his part, and it was a serious matter on our part.

Q. Has Dr. Douglas ever reported how much the drugs cost, and how much they have brought from the sales to the students?

A. Always.

Q. Always?

A. Yes, sir. I probably should have said “chemicals” all through, instead of “drugs.”

Mr. Ashley Pond suggesting a verbal correction.

By Mr. Mills :

Q. The only thing asked of you, as I understood it, was to say “retail” prices instead of “wholesale” prices.

A. I did not mean to say so. (I am trying to look in the Report to see what it was.) By section 4, chapter VIII., of the By-laws of the University, adopted in February, 1864, “Each student shall be furnished with apparatus and chemicals at their cost price, or according to the price list of a New York dealer, and only such chemicals as shall be actually used shall be charged, and the amount

thus received by the Professor of Chemistry shall constitute a fund in his hands for the purchase of apparatus and chemicals for laboratory use, which amount shall be properly accounted for at the close of the year."

By Mr. Taylor:

Q. Was it not upon this report which you and Regent Gilbert made to the Board of Regents that Mr. Rose was suspended from the University?

A. Yes, sir.

Q. And you made this report from the statements of those men who, I understand, were not an official committee?

A. No, sir; did not make that statement at all. We spent days in making that examination.

Q. I understood you to say that you did not have time.

A. When they brought the work all systematized and arranged to order we then did take the time. We went over all the work, year by year.

Q. How long a time did you spend in that investigation?

A. I think it was two or three days. There is not a word in that report which Mr. Gilbert and I did not compare carefully. [Here the witness re-read the above citation from the By-laws of the University.]

Q. You construe that to mean, then, the retail price?

A. My understanding was wholesale price; but that the habit of the trade was to make a deduction from the price list when they sold to dealers. A little advance was charged the students.

Q. A profit to the State from the students?

A. Yes, sir; but the amount of profit from each student was very small.

Q. Did the committee of which you were a member examine the yearly reports of Dr. Douglas in making the examination you speak of?

A. We examined the ledger, we examined the stubs, and we examined the vouchers,—“certificates,” as they are called. That was all we examined. That is, we examined one side of Dr. Douglas’ accounts. We never examined the other side of his accounts, namely, the money paid out in New York for chemicals. Our examination covered only these three points, namely, the ledger on one side and the stubs and certificates on the other. Those ought to agree. I may add here that the second committee, that was appointed at the December meeting and made their report in April, went into both sides of Dr. Douglas’ account.

Q. You did not?

A. I did not.

Q. Did your committee make any alterations, erasures, change the footings, or alter the reports in any manner?

A. I do not know what is meant by “reports.”

Q. Dr. Douglas’ reports, which you say you did not examine?

A. No, sir; we did not alter them.

Q. Was ever there a commission allowed to any one for the purchase of drugs?

A. Not to my knowledge.

Q. Did you ever vote to allow any commission?

A. I think not.

Q. Will you please take any one of Dr. Douglas’ annual reports there and show us where his account is for the chemicals and supplies retailed to students?

A. He has never accounted for the drugs and supplies retailed to students, except by furnishing to the Board the certificates issued by Dr. Rose.

Q. Have you seen any of Dr. Douglas' annual statements to the Board of Regents?

A. I do not remember that I have.

By Mr. Mills:

Q. After the second investigation, have any steps ever been taken by the Board of Regents to trace up this defalcation, to your knowledge, and if so, what?

A. After the second report?

Q. Yes, sir.

A. The whole matter was, after that second report, referred to the Finance committee,—Messrs. McGowan, S. S. Walker, and Col. Grant; but Mr. Walker was excused from serving on the second committee, and Mr. Estabrook was put in his place; and a very thorough and careful examination was made by that committee as to the point upon which this defalcation rested. Their report will be found in the proceedings of the June meeting last year. I was a witness before that committee.

Q. Since the report of that committee, have any further proceedings been had?

A. Yes, sir. After the meeting in June the friends of Dr. Rose appeared, either before the Regents or an authorized committee of the Regents (I have not looked the matter up), and offered to secure the University from any loss whatsoever growing out of any alleged defalcation on the part of Dr. Rose, provided the University would deed back to him his homestead. The Board accepted the proposition, and obtained the bond signed by Dr. Rose and very able sureties,—Mr. Rice A. Beal and Mr. Smith, conditioned to pay to the Board any sum that should hereafter be found at the end of any legal proceedings in law or chancery due from Dr. Rose to the University. We accepted that bond, and thereupon Mr. Knight deeded back to Dr. Rose his homestead. By this means the Board have entirely secured itself against any loss or defalcation, whether it be large or small, or in whosoever hands it be found. Thereupon we commenced a suit against Dr. Rose at law, to obtain judgment against him for money in his hands, if any, that belonged to the University. We endeavored in that suit, as it was an intricate question, to refer the matter to auditors, but the court refused so to do. Thereupon the counsel employed by the Board, instead of prosecuting the suit at law, filed a bill in chancery against Dr. Rose and Dr. Douglas, Rose's sureties, setting up that it was an unsettled matter of account that could not be settled at law, and asking that it be settled in a court of chancery. That suit is still pending.

By Mr. Taylor:

Q. Did the Board of Regents authorize this bill in chancery?

A. The Board of Regents employed Hon. Alpheus Felch and Judge C. I. Walker of Detroit as their counsel, and directed them to commence their proceedings. This bill in chancery was commenced by these counsel upon their own motion, after consultation with the executive committee of the Board of Regents.

I will state further here: The only counsel the Board ever employed are Messrs. Felch and C. I. Walker. The bill in chancery was drawn up by Mr. Walker in Detroit. At a previous session of the circuit court for Washtenaw county he came out here to argue the question whether the suit at law should be referred to auditors or not. He found a Mr. Kinne, a lawyer of this place, assisting him in that argument for referring the matter to auditors, and supposed

that he was a lawyer of the Board; but he was not. When he drew this bill he put on the name of Mr. Kinne as legal counsel on the bill at his own motion, without the knowledge of any of the Board of Regents or anybody connected with them; and no member of the Board of Regents knew anything about it until the last meeting of the Board. Mr. Kinne has nothing to do with us as counsel. He was not retained by us. My brother made a mistake. I have a letter at my home from my brother, taking that whole responsibility upon himself. It was a mistake, an annoying one, but we are not responsible for it. At the moment this was discovered his name was taken from the bill and the name of Alpheus Felch substituted.

Q. Have the Regents any cases in the circuit court?

A. Yes; the Regents have been sued by Dr. Rose.

Q. Is Mr. Kinne the attorney?

A. Not to my knowledge. He has no right to appear for the University; he has never been retained.

Q. Does he not appear as the attorney of record for the University?

A. Not to my knowledge.

Q. At the last meeting of the Board of Regents was there any one who stated that he had not authorized the bringing of that chancery suit?

A. Yes, sir; one of the executive committee, Mr. Cutcheon, said he had not been consulted in the matter.

Q. Only one of the Regents?

A. I think there were also Dr. Rynd and Mr. Climie,—all said they had not been consulted about it.

Q. Any others?

A. Not that I know of. We had instructions to prosecute the matter at law.

Q. These proceedings?

A. Yes, sir. I may have been lacking in courtesy in not consulting Mr. Cutcheon as a member of the executive committee. He was off a hundred miles or more, and I thought there was such a unanimity in the Board as to that way of settling it, that it did not occur to me that it was necessary to confer with him. I am the chairman, but he was the third member on the committee.

By Mr. Mills:

Q. How many were on the Board?

A. Three. [After a pause]—I don't know but that I ought to qualify that; I believe the President is chairman *ex officio*.

By Mr. Taylor:

Q. [Showing him a marked passage]—Do you identify that as the resolution under which you acted?

That resolution, adopted by the Board at their meeting in June, 1876, reads as follows:

“*Resolved*, That the executive committee be and are hereby instructed to take immediate steps for commencing a suit against Preston B. Rose, to recover from him the amount of money claimed to be in his hands and to belong to the University, and to proceed to a trial or hearing of the same at the earliest practical moment, at the present June term of court, if possible.”

A. Yes, sir.

Q. Was Mr. Cutcheon present at the June meeting of the Regents?

A. I think not, sir. No, sir; he was not present.

Witness dismissed.

TESTIMONY OF C. B. GRANT. DIRECT EXAMINATION.

By Mr. Kelley:

Q. Are you one of the Regents?

A. Yes, sir.

Q. How long have you been one?

A. Since January, 1872.

Q. Were you a member of the executive committee of 1875?

A. No, sir.

Q. Have you ever been?

A. No, sir.

Q. Acquainted with Dr. Douglas, I suppose?

A. I am, sir.

Q. Have you heard something of a defalcation in his department?

A. Yes, sir. I first heard of it some day in October in 1875, about 20 minutes before I started for my home in Lake Superior.

Q. From what source did you receive your intelligence?

A. From Dr. Douglas.

Q. By letter?

A. No, sir; he called on me personally at the house of Mr. Felch, where I was stopping. He told me that he had discovered irregularities in the accounts of the laboratory of the University. He had with him the books containing some statements of accounts, a small red-covered book containing a list of names certified to by Dr. Rose, and he told me what method he had undertaken; told me of the four names that he had discovered that were not in the report made to him by Dr. Rose; and informed me that Dr. Rose had given him a due-bill for them, I think, and asked me what I thought he had better do. I advised him that I thought he was going on correctly, and that the first thing to be ascertained was the amount of the deficiency, and sanctioned the method he had adopted; and I advised him, I think, to confer with Dr. Angell and other members of the Board.

Q. Will you state what method he had adopted to ascertain deficiencies?

A. He had shown him four names that he had discovered first, and also some other names,—two or four at a time.

Q. Did Dr. Douglas tell you the manner in which he obtained the due-bill from Rose for the deficiency?

A. He said, I think, that he had presented those names to Dr. Rose at the laboratory, and asked him if there was not a mistake,—that they were not in the report made by him to Dr. Douglas. He said he looked and found they were not, and then gave him a due-bill for the amount of the four.

Q. Now the report that you speak of was the report of Rose to Douglas?

A. Yes; the account from Rose to Douglas.

Q. Did Dr. Douglas at this time exhibit to you any account that had been rendered to him by Rose?

A. No; nothing more than in that book.

Q. Did the doctor tell you how he approached Rose on this subject?

A. Nothing more than on the night before he took down a memorandum of these names on a slip of paper and took them to the laboratory, and he showed them to him, and asked him if there was not a mistake as to those four names. I recollect nothing further than that.

Q. At this interview with Dr. Douglas, did you say anything about previous years?

A. No, sir.

Q. How long after this before you heard something in regard to years prior?

A. I think it was some time in November, possibly December, following, that I had a letter from Dr. Angell, stating that they had found deficiencies further back than 1874-5.

Q. Was that matter ever brought before the Board of Regents? If so, when?

A. I was not present at the December meeting. I was present at the March meeting, and that was the first that I did anything with the matter in the Board,—at the March meeting of the Board, 1876.

Q. Was it at that meeting that a committee was appointed?

A. Yes, sir; it was.

Q. Were you a member of that committee?

A. I was not, sir. The committee consisted of Regents Climie, Rynd, and S. S. Walker.

Q. Did the Regents employ counsel in that investigation?

A. I think not, sir. They have had no counsel that I am aware of, except so far as it has gone into the courts.

Q. Do you know when counsel did appear?

A. I do not, sir. I never supposed that any counsel appeared there on the part of any one.

Q. Have you ever been at any annual meetings of the Board when a settlement was made by Dr. Douglas?

A. I have.

Q. Did you examine his account?

A. I have, twice.

Q. What years?

A. Well, sir, I am unable to state. I should think it was in 1873, when Regent Gilbert wrote requesting me to examine the annual report.

Q. In making the examination did you usually require vouchers to accompany the report?

A. Yes, sir; we did usually.

Q. Did Dr. Douglas present vouchers for all the disbursements?

A. I cannot say, sir, whether he did all or not. So far as the chemicals and apparatus are concerned, I think he did; there may have been some other items, as traveling expenses, etc., perhaps, for which he did not.

Q. Did you require of him vouchers for moneys received in the laboratory department?

A. Yes, sir.

Q. Did you ever require Dr. Douglas to account to the Board for the purchase of chemicals and apparatus?

A. Yes, sir.

Q. And also for the receipts from the sale of chemicals?

A. Receipts from the students?

Q. Yes.

A. The only accounting for the receipts for the sale of chemicals, as I remember, appeared upon the certificates,—which have been introduced in evidence here,—which showed the amount the students had paid. That showed the debit side; and the credit side was, of course, payments made for chemicals, apparatus, etc.

Q. Did you require invoices of the purchases to be presented and filed with the Board?

A. I think there were receipted bills presented to the Board, according to my recollection.

Q. Have you ever been upon any of the committees in investigating this difficulty?

A. Yes, sir; the finance committee, in June last.

Q. In that investigation was Dr. Rose present?

A. He was not, except, perhaps, a few moments in the morning of our first meeting June 1. I think he was there then a few moments.

Q. At that investigation did you find a deficiency in the University funds?

A. On page 35 of the proceedings of our June meeting is found a tabulated statement of the different accounts; we find a footing to be \$5,536.13.

Q. Now, are the different amounts making up the deficit in each year found upon the ledger of the laboratory department?

A. I think they are.

Q. Did you designate these accounts in any way so that you can refer to them?

A. I do not think we did, except a transcript made by Mr. Tregaskis. The accountants were employed by the committee.

Q. How far back did your investigation extend?

A. To 1866-7, we found the first deficit. We went back to the year previous.

Q. What year did Dr. Rose go into the laboratory department?

A. I cannot tell; I think in 1866, but I am not certain.

Q. Did you examine any of the accounts prior to his coming into the department?

A. Yes, sir; we covered the ground covered by the other committee.

Q. Did you find any deficit in that year?

A. I think not, sir,—only \$5, perhaps, which was sufficiently accounted for.

Q. How did you arrive at the amounts of the deficit in each year? What papers and books did you refer to?

A. We had this ledger [on the table here], the vouchers, the receipts,—which were filed by the Board of Regents, which were found in the office of the Secretary; we had the reports made by Dr. Douglas to the Board of Regents, which had been passed upon by the Finance committee; and we had the stub-book, which has been referred to here, and also, I think, a memorandum book, which is entirely in the hand-writing of Dr. Douglas, and which was his own private book, with the entries of the amounts received; and we had the same papers that were filed with the Board, by Dr. Douglas, when he made his report annually to the Board. These are all the papers that I remember now we had to work upon.

Q. Did the deficits consist chiefly in accounts you found in the ledger, for which there was no stub or certificate?

A. I would have to refer to the report to see the amount of that.

Q. Did it chiefly?

A. No, sir; I think not. There were some \$1,800 for which we found no stubs. For the balance accounts were found upon the ledger for which there were no certificates, but stubs found corresponding to the account.

Q. And upon the stub was found the letter D?

A. Yes, sir.

Q. No question raised as to the genuineness of the D?

A. There was, sir.

Q. Were any amounts found upon the stubs upon which appeared the letter D taken into consideration in making up the deficit?

A. Yes, sir.

Q. What action was taken by the committee to ascertain whether the initial letter D was genuine, or none?

A. I should say none. Dr. Douglas denied that many of these D's were made by him, and the committee did not pass upon the genuineness of any of these initial letters D. There was one stub which contained upon its face the name of Douglas written out in full. The committee agreed that that was not the signature of Dr. Douglas, and so reported in our report. Dr. Douglas, as you will see by his testimony, did not attempt himself to select out the genuine from those he considered not genuine.

Q. Do I understand, then, that all the stubs that were found in the books, upon which the red lines were found, were credited to Dr. Rose as having been paid over to Douglas? Were they credited by you to Rose?

A. As I said, we did not pass upon these. In our report we passed no opinion upon them.

Q. Didn't you reject them?

A. No, sir.

Q. As far as Dr. Rose was concerned?

A. Yes; we found the total amount of the deficiency; we then found that Dr. Rose was clearly responsible for the amount of these, together with this one stub marked "Douglas," less the amount of the other stubs containing the initial D or S. H. D.

By Mr. Taylor:

Q. Can you name the year in which that particular stub occurs signed "Douglas?"

A. I cannot. It can be found by referring to our report.

By Mr. Kelley:

Q. Can you designate the particular stubs that made up this deficiency, or the balance of this deficiency?

A. I could not, without referring to the papers in the case.

Q. Why did you throw out, so far as Dr. Rose is concerned, the amounts or accounts represented by the stubs that you found in the book containing the letter D?

A. Because Dr. Douglas did not attempt to point out to us the number of those which were claimed to be forged. We threw out the amount of those stubs containing the letter D, each one of which was \$10. Where the letter D was on, if genuine, it showed that the deposit of \$10 had been paid over by Dr. Rose to Dr. Douglas, and there was something over \$1,000 of these. Dr. Douglas claimed that he had paid over everything to the University, and in making up our report we charged Dr. Douglas with the amount of these \$10 deposits, that is, the amount of those stubs containing the letter D, excepting this one "Douglas," not only for the reason stated, but also, as we thought, for negligence in his settling up his account.

Q. Did you hold Dr. Douglas for all the stubs except the one that you threw out as forged?

A. Yes, sir; for all the stubs marked with the letter D for \$10, except that

one. They wanted something over a thousand dollars. Page 39 of our report of the June meeting,—the amount was \$1,174.65.

Q. Did you find stubs for that amount?

A. Yes, sir.

Q. Without the initial D on it?

A. No, sir; with the initial D.

Q. And that is the deficiency charged to Douglas?

A. Yes, sir. We held him responsible for that, and the reasons for it are found in our report, and the total amount of the "stub money," so called, was \$1,174.65. That was the deficiency, and we held Dr. Douglas for that, except the one stub marked "Douglas."

Q. Who cut the initials out of these stub books? Did the committee do that to satisfy themselves with reference to the genuineness of the letter?

A. I do not remember.

Q. Did Dr. Douglas acknowledge having received any money represented by the stubs in the book for 1874?

A. No, sir; not for the delinquent stubs.

Q. How is the deficiency of \$1,100 or \$1,200 made up to the University?

A. I think it is charged up to Dr. Douglas' account; that was the understanding.

Q. How much of the deposit money do you find Dr. Rose should account for?

A. All of those for which there were no stubs found, of course, and, I think now, none of the others, if I recollect it correctly.

Q. In reference to what transactions did the entries claim to be, which the private book of Dr. Douglas contain?

A. There were various entries in it, nearly all in pencil mark, running back, I think, nearly to the organization of the medical laboratory, and contained, I think, most of the items, sometimes giving in full the amounts of the certificates, and other times what the committee interpreted to be the amount in a lump.

Q. Did you find any entries in that book for sales of chemicals to students during any years that Dr. Rose was in that department?

A. I think not, sir.

Q. Did you find any entries of receipts of deposits from students?

A. Yes, sir. I think I have already stated that.

Q. Did Dr. Douglas present certificates as vouchers for these entries found in his private book?

A. Yes, sir.

Q. What did you do with that book?

A. That was returned to the doctor when we got through with it.

Q. Were there any other entries in this private book pertaining to any matter of business except that of the University?

A. No, sir, I think not.

Q. Were you ever present at a meeting of the Board of Regents when they directed the chancery suit?

A. No, sir; I think they never did as a body authorize such a proceeding.

Q. Were you present at the last meeting, December 29?

A. Yes, sir.

Q. Was that matter discussed?

A. Yes, sir.

Q. Did the Regents disclaim any authority for the commencement of that suit?

A. I think three of them did. I did not.

By Mr. Mills :

Q. How many Regents were present?

A. All,—eight.

By Mr. Kelley :

Q. Now, I understand the balance of the deficiency for which you held Dr. Rose would appear from the sales of chemicals entered upon this ledger?

A. Yes, sir.

By Mr. Taylor :

Q. Could you point out in this book the stubs which Dr. Douglas claims not to have his initial letter?

A. I do not know now whether I could or not. I think there were several along in this connection that he claimed were not his, but no proof was given except Dr. Douglas' word, that there was a slight dissimilarity in the writing.

By Mr. Mills :

Q. Please give the number of those stubs.

A. I think there were 46 up to Sept. 26, 1867, and several after that. I cannot say how many.

By Mr. Taylor :

Q. What is the number of the one you consented to throw out?

A. No. 44.

P. How was it signed?

A. Signed "Douglas," dated September 26, 1867.

Q. What were your reasons for throwing that out?

A. We concluded that was not Dr. Douglas' signature, and therefore that he had not received the deposit money of \$10, Dr. Rose having stated to the Board, I think, in a communication, that in their method of settlement, Douglas should have signed the paper that the deposit money had been passed over to him.

Q. I understand that Dr. Douglas claims that to be a forgery?

A. Yes, sir.

Q. Are you acquainted with Dr. Rose's hand-writing?

A. I have never seen him write. I have seen writing that was supposed to be his.

Q. With your scholarship, Colonel, if you were going to commit a forgery, would n't you be very careful to spell the name correctly?

A. I think I should.

By Mr. Mills :

Q. I understand you to say that at the last meeting of the Board, three Regents disclaimed having anything to do with the chancery suit now pending?

A. They disclaimed responsibility for the bill.

Q. Have they filed with the Board any document, or protest, or any paper, to your knowledge?

A. No, sir.

By Mr. Kelley:

Q. In what form are the vouchers presented by Dr. Douglas for entries, found upon the private book?

A. Whether we found the number of the certificates I cannot say, but we found in many instances the amounts corresponding to the certificates of that year; and in some cases we found the amounts entered in a body as though they were entered in whole months.

Q. What kind of vouchers did you find correspond to the amounts or items found in the private book?

A. We used that book for the purpose of seeing whether we could find anything to credit or discredit the accounts which had been presented by Dr. Douglas from time to time, as well as to afford any light which we could gather from them. We found in many instances entered there amounts corresponding to the amounts of those printed certificates for the proper year. Sometimes the amounts of each certificate appear to have been entered; in others we found receipts from the laboratory carried out in a lump,—perhaps \$500 or \$600. Looking to the date on the book and finding the corresponding days of the certificate, in some instances we found the amounts of the certificates to correspond with the amounts entered in full in the book, in one number.

Q. Now, in fact then, you used the private book as a voucher in connection with Dr. Douglas' report?

A. We used it to get what light we could from it.

Q. Did you find more certificates than stubs?

A. No, sir; I do not recollect of any case where we did that.

Q. In whose custody were those certificates?

A. Mr. Bennett's, the Secretary of the Board. The instructions of our committee were that when we got through with them they should remain there in the custody of the Secretary of the University.

Q. Did you refuse Dr. Rose a hearing before that committee?

A. No, sir.

Q. Did he come in there and ask to be heard?

A. No, sir.

Q. Did he offer to come in there and present his case?

A. No, sir. I would say in this connection that when the committee met on the morning of June 1—I think then—I know we did the next morning—publicly state that we desired any one and every one who had any thing to do with the matters in the investigation, to come forward and present it. I went to the laboratory and served a notice upon Dr. Rose to appear. After he refused to his friends Messrs. Sawyer and Beal, to appear, he requested them to appear and cross-examine the witnesses.

By Mr. Taylor:

Q. In this investigation you had no power to call for persons and papers?

A. No, sir.

Q. You simply sent a request?

A. Yes, sir.

Q. Did you place them under oath?

A. Yes, sir.

Q. In what manner.

A. We administered to them the usual oath, similar to the one administered here.

Q. You had some officer?

A. We had Mr. McGowan as notary. I would like also to state in that connection, that at the March meeting of the Board, when this matter was referred to the Finance committee, after the other committee had reported, Mr. Beal appeared there as the friend of Dr. Rose and made a statement to the Board that he was prepared to establish the innocence of Dr. Rose before the Board or before any committee of the Board; and, as I understand, mainly in pursuance of that it was referred to this committee; and also the Board of Regents voted at that meeting, with one or two dissenting votes, to reinstate Dr. Rose, pending this proposition, in the laboratory, with pay dating back to his first removal; and I learned that Dr. Rose had no disposition to appear before the committee. Instead of that a strong effort was made to get the investigation postponed. Mr. Beal, as the friend of Dr. Rose, importuned very strongly not to have the investigation before this committee, but to wait and call the full Board of Regents together, giving two reasons for that, namely, that he had no confidence in Mr. McGowan, the chairman of the committee, and further, that he did not wish Mr. Rose to disclose his case in the state of affairs at that time. I had no conversation with Dr. Rose myself, except at the time I served that notice upon him to appear before the Board.

Q. At the time you were first notified of this deficit you stated you were in Ann Arbor?

A. Yes, sir.

Q. Did you meet Dr. Rose and state to him the irregularity that had been discovered in the laboratory?

A. As I said, the doctor [Douglas] came to me not to exceed 20 minutes from train time, the time in which I was to leave and go home.

CROSS-EXAMINATION.

By Mr. Taylor :

Q. Did Dr. Douglas, at his first interview with you, speak of an "account" from Rose, or "vouchers" received from Rose? Which term did he use?

A. I do not remember: I should think the term "vouchers" or "certificates."

Q. Was not Dr. Rose present several different times at the sitting of your committee? How many days were your committee engaged?

A. We were engaged (Sundays excepted) from the 1st day of June until the 16th, working most of the time night and day. I cannot remember definitely whether Dr. Rose was in the room or not. He was in there the first day.

Q. Were there not some stubs representing deficient accounts which did not have the letter D upon them?

A. There were, sir.

Q. In what years?

A. In the year 1870-1, one; in the year 1873-4, one. There was one stub account in 1870-1 with no D upon it, and also one in 1873-4. See page 35, third column, of the June report.

Q. Why did you not hold Dr. Douglas responsible for the *full* amount of all the delinquent accounts where the stubs bore his initial? Why did you make a difference between the deposit money and the residue of the money? Had the wrappers found around the vouchers anything to do with it?

A. Yes, sir. I have already answered that question in part. We found at one of the prior meetings of the Board,—I think the one in December,—that

Dr. Rose had filed his statement with the Board, setting forth the manner of his keeping those accounts, and his settlements with Douglas, in which he substantially said they settled monthly. Dr. Douglas and Dr. Rose sat down together, took the stub-book and the vouchers which Dr. Rose had received in the month previous, and which he was to file with Dr. Douglas, and one of them took a piece of paper and the other read off the amount of the certificates, and then they were footed; and then they took the stub-book, went back to the date of the stub where the last initial D was put on, and the doctor took these and wrote his initial D upon them as far as they had been issued; the amounts of these were footed and reckoned in with the monthly account. From the amounts of the certificates and the totals of these stubs, the deposit money was deducted, \$10 for each of the certificates which was turned over, because they had been accounted for before. He said in that statement that these memoranda or bits of papers were the connecting link between him and Dr. Douglas, and that these were usually torn up and destroyed; and that he had found one of them, a copy of which was attached to that statement. When we commenced our investigation we found there many of what we took to be these bits of paper or memoranda; and on page 37 of our report there is a statement of the number of these bits of paper,—I think forty,—that we found. They were complete for 1870-1, 1871-2, 1872-3, and 1873-4. These were all but two, I think (the report will show), in the handwriting of Dr. Rose. One, I think, was in the handwriting of Dr. Douglas, and one, I think, in the handwriting of both of them. These tallied with the reports which Dr. Douglas had made to the Board during those four years.

Q. Did you not find entries on Dr. Douglas' book corresponding in amount with the amount indicated by wrappers found around vouchers returned by him to the University?

A. I think we did.

Q. Did it not appear that Dr. Douglas had in many instances accounted for the deposit money when his initial did not appear upon the stub.

A. I do not remember now of but two instances where there was no initial D upon the stub.

Q. [Last question re-read.]

A. I do not understand that question as applicable to the case.

Q. Did you not find some certificates which showed a larger deposit than appeared upon the stub?

A. Yes, sir; I think I did,—two or three.

Q. For which amount did Dr. Douglas account in that case?

A. For the amount on the vouchers, or the certificate. That is my recollection of the case now.

By Mr. Newcomb:

Q. I would inquire whether on this certificate there were one item, or two, or more?

A. I cannot remember now without looking at the certificate.

By Mr. Mills:

Q. In this investigation previous to the 16th as June, you employed an expert to go through the accounts and papers?

A. Yes, sir; we employed an expert accountant recommended by Gov. Bagley, Mr. Tregaskis.

Q. Were you present at the examination of the accounts by the expert?

A. I was not present at the examination by the first committee. He was a witness before the finance committee.

Q. Do you know whether these books and papers, or any of them, were in the custody of Dr. Rose or Dr. Douglas during that investigation at any time?

A. I do not know, sir. I suppose the book referred to here in the testimony of Dr. Angell, or Mr. Walker, was a book that was still in use at the laboratory during the time of the first investigation.

Q. The ledger?

A. Yes; the ledger.

C. B. GRANT RECALLED.

Examined by Mr. Kelley:

Q. I understood you to say, yesterday, that you threw out one of the accounts represented upon the stubs with the initial letter "D" upon it?

A. Yes, sir; we threw out the deposit; we did not throw it out; we counted that out from the amount for which we held Dr. Douglas.

Q. How many of those, do you recollect?

A. There was only the one that had the full name *Douglas*.

Q. Why did you throw out that one?

A. Because the testimony of Dr. Douglas was directly that that was not his hand-writing and not written by him.

Q. Did you find an account corresponding with that stub?

A. I think we did; I am not positive now; I think we did; I won't be certain.

Q. Did you find a certificate corresponding with the stub upon which there was written the name *Douglas*?

A. I could not say without examining the record; it has been so long.

Q. Do you recollect of Dr. Douglas presenting a certificate corresponding to this stub and also corresponding to the account upon the ledger, presented by the certificate and stub?

A. I don't recollect it now, sir.

Q. If such a certificate was presented, do you think you would have thrown out the account, so far as Rose was concerned or Douglas? If the doctor had a certificate in his possession representing that account, why should you throw out the item?

A. It might be well thrown out on the ground of its being a forgery, because, if Dr. Douglas had not signed his initial there, according to the usual way of doing business, then the inference would be, in the absence of explanation or testimony, that he had not placed his name there, and that he had not received the \$10, but that it remained in the hands of Dr. Rose.

Q. I understand you that the red lines drawn across the stubs indicate what?

A. They indicate that the account was settled between Dr. Rose and Dr. Douglas; or, in other words, that the certificate had been passed over to Dr. Douglas by Dr. Rose. It should indicate that if genuine.

Q. Then the red lines indicated the settlement of the account for which the stubs represented the amount of deposit?

A. They did, sir, if genuine.

Q. How did Dr. Douglas possess a certificate which corresponded to this stub if he had not received the money represented by the account upon the ledger by the same stub?

A. If he had not received the \$10?

Q. Yes.

A. Because, if in his settlement or accounting to Dr. Rose, Dr. Rose had not turned over to him the \$10 deposit money, of course Dr. Rose had the money, and Dr. Douglas had not; so that that certificate might have come to the hands of Dr. Douglas, and through him to the Board of Regents in his settlements with the Board; and the \$10 deposit not having been received by him, but accounted for by him to the Board, nevertheless, and paid by him.

Q. In other words, it all depended, as I understand, upon the genuineness of the *D's*?

A. Yes, sir.

Q. Did you examine Dr. Douglas' annual report for 1867 to ascertain whether he had reported the amount represented by the certificate corresponding with the stub that is claimed to be a forgery, to the Regents?

A. I think we did, for we examined every one of the accounts.

Q. Did you find it so reported?

A. I can't remember now; we examined every one of the reports and all the vouchers.

Q. Was Dr. Douglas' attention carefully called to these vouchers?

A. It was, sir.

Q. Do you recollect whether he stated that no certificate corresponding to that stub had come to his possession?

A. I don't remember, sir.

Q. Did he claim any credit back from having recorded upon his annual report the amount represented by the account corresponding to this stub?

A. I don't remember now whether he did or not.

Q. Did you allow him any such credit?

A. I can't say whether we did or not, without an examination of the books and papers.

Q. You have two accounts upon which there is neither the letter *D* nor the red lines?

A. I think so.

Q. Do you recollect whether you had not any certificates corresponding with those?

A. I don't remember now whether we have or not. I have not looked at the reports nor the papers at all. I have not looked at the report since we made it until I arrived here the other day, and it would involve an examination to refresh my memory upon those points.

Q. After ascertaining the amount of deficiency which is one thousand one hundred and some odd dollars, and accounts for which there are no stubs or certificates, and the other two small items that you have mentioned, the balance of the deficiency, I understand you, was accounts represented upon the ledger for which there were stubs, part of them having the letter *D*, and part of them a red line, but none of them having both the letter and the red line?

A. There were a large number of accounts, if I understand the question, having stubs with the red line and the initial *D* too.

Q. That were rejected? That were not charged to Douglas do you mean?

A. Yes, sir; they were charged to Rose.

Q. Had both the letter *D* and the red line?

A. Yes, sir. You will find them on page 35, as we tabulated them and arranged them—the first represents stub accounts of different years, with the

red line and the initial *D*, and the second column represents the stub accounts with the initial *D* and no red line, and the third with neither the red line nor the letter *D*, which contained the account I referred to.

Q. Tell us why you threw out those accounts,—the stubs which bear the red line and the letter *D*?

A. How do I understand you to mean by throwing them out?

Q. I mean they were not charged to Douglas,—accounts which bore both the letter and the red line,—why did you reject those accounts so far as he was concerned?

A. Because we thought the testimony showed conclusively that the money was in the hands of Dr. Rose,—had not been passed over by him to Dr. Douglas.

Q. What testimony did you resort to in coming to that conclusion?

A. The testimony of witnesses, which we took at that time; the testimony of papers and the books we had in the case. One of the leading pieces of testimony was that which I stated yesterday in regard to those wrappers. If the committee have not seen them, I wish they might be produced here to be shown. There were other reasons.

Q. You also rejected, or did not hold Dr. Douglas for the accounts on the stub upon which red lines were drawn, without the letter *D*?

A. Yes, sir.

Q. Did you do that upon any other evidence except the want of the letter *D*?

A. Your first question I answered before was in relation to the accounts with the red line and letter *D* both?

P. Yes.

A. And your question is now—

Q. Why you threw out the accounts the stubs on which the red lines appeared, but not the letter *D*?

A. We found no accounts, as I understand the question; it relates to those which contains the red line and no initial *D*?

Q. Yes.

A. We found no such accounts which I remember, if I understand the question. We found only two that contained neither of those. The others had not the *D*, and a portion of them the red line.

Q. After the investigation of the committee of which you were a member was Dr. Rose suspended?

A. Yes, sir.

Q. On account of the deficiency which was found in the money belonging to the University?

A. Yes, sir; that was one of the main reasons. That was, perhaps, not the only reason that entered into my own action on that subject, and my vote.

Q. Do you recollect seeing that certificate when you were investigating this stub question,—the forgery?

A. I could not say that I remember this particular one.

Q. That is the certificate corresponding to that stub, is it not?

A. Yes, sir, I should judge it was; it seems to correspond in date and number.

Q. The deposit was \$10?

A. Yes, sir; it seems to be.

Q. What is the name on that certificate?

A. Ison Burton.

Q. What is the date?

A. Sept. 26th, 1867. Number 44.

Q. The committee also found a deficiency in the hands of Dr. Douglas, did they not?

A. No, sir; I don't think we put it in that way. We found of the total deficiency that there were \$1,100 that I referred to in my testimony yesterday, which he should pay on account of his carelessness in the University management according to our finding. I think we had a small portion of those accounts found in his hands that had not been accounted for. That was the ground upon which we put it, and upon that alone.

Q. Then you found that a portion of the money which was deficient was in the possession of Dr. Douglas, and a portion in the possession of Dr. Rose, which had not been accounted for?

A. No, sir, we did not put it in that way—we found there was a total deficiency of so much. We found that unquestionably something over \$4,000 was in the hands of Dr. Rose. Dr. Douglas denied under oath having the balance of it, except it was a small portion which would naturally be for vouchers outstanding which had not been returned. There was a portion of that which he might have, but a large amount he denied having; and there was no testimony tending directly to show that he did have it in his hands, excepting these letters *D* were genuine. That did not, as I said before, come in such a shape that it was passed upon, but we held him responsible for it to the University on account of his carelessness in keeping the accounts, and on no other ground. We found nothing in his testimony showing any intention on the part of the Dr. to keep any of that money if he did have it.

Q. Did that committee ask Dr. Douglas to produce any other papers or books than those which we have here, and pertaining to the years which the committee considered?

A. We asked for all the books and papers which he had in relation to this affair.

Q. For the particular years which you were considering?

A. Yes, sir; connected with the laboratory; and in addition to those, I will state that he furnished to us his own private books of account for the inspection of the committee, which we inspected. We knew of no other books; we asked for all the books from the parties connected with it, both Douglas and anybody else that knew anything about it, to produce all the books and any testimony that they might have in regard to it.

Q. The account now shown you is the ledger account, which was rejected on account of forgery, is it not?

A. I should judge that it was, from the date.

Q. It corresponds with the account endorsed upon the back of the certificate, does it not?

A. Yes, sir.

Q. Did the committee ascertain whether that amount had been reported by Dr. Douglas to the Regents in determining whether this was considered at that time a forgery or otherwise?

A. I think we did; and I should say that we must have, from the fact that the certificate was on file in the Secretary's office as one of those having been returned by the Director.

Q. If found upon Dr. Douglas' report, upon what ground should you reject it?

A. Upon the ground that we would not hold him responsible for the \$10 as between him and Dr. Rose, on the ground that the letter *D* or "Douglas" hav-

ing been forged, he could not have received the \$10, but had accounted for it to us the same as though it had been received.

Q. Why should he not have been credited back for that amount in your report?

A. He should have been. In making out our account with him we deducted that \$10 as the amount for which we should hold him.

Q. Can you refer to the place in your report where you deducted \$10?

A. I think I can refer to the statement of that in our report. I think you will find it on the bottom of page 39: "We are all of the opinion that the word "*Douglas*," as mentioned above, is not in the handwriting of the Director."

Q. If you actually deducted the \$10 and did not reject the \$25, should not the table show it?

A. I don't know as the table would necessarily. My impression is that it would be included in one of those accounts, I am not certain about that. That would involve, I think, to testify positively in regard to it, going over the books we had there and the statements made out and itemized.

Q. Do you see any checks or marks on that report indicating your examination of that subject and the rejection of a part of the items?

A. You mean the investigating committee?

Q. As to those particular items.

A. You mean of the committee?

Q. Yes.

A. I see no marks here indicating anything of that kind. There are a good many check marks here, some of which I think were made by our committee in the investigation.

Q. Have you ever had your attention called to that report,—the ledger and certificate in connection with this question of the forgery of Dr. Douglas' signature?

A. I have no particular recollection of our attention being particularly called to it by any one. I recollect our examination of the matter, but I have no recollection of any one calling our attention particularly to it.

Q. Was it necessary for Dr. Douglas to exhibit his private books of account in order to make clear the University matters?

A. No, I don't think it was.

Q. For what purpose did he exhibit his private books?

A. His counsel, I think, Mr. Pond, was present and stated to the committee that the doctor was willing, if they wished it, to submit his private books for the examination of the committee, and they accepted that invitation; they would be glad to see them if they saw fit to produce them, and they produced them.

Q. Do you recollect as to what particular object that testimony was called out or introduced?

A. I do not recollect any particular point or at any particular time. I recollect the time that the proposition was made,—I think it was towards the close of the examination of the witness. I supposed the doctor introduced them, or his counsel did, for the sake of showing his manner of keeping his private accounts and to show that there was nothing there to indicate any disturbance in his own affairs.

Q. In rejecting the amount where the certificates did not bear the letter *D* or have the red line, did you reject simply the deposit money, or the whole ledger account?

A. We rejected the whole account, if we found it was a deficiency, which had not been accounted for to the University?

Q. You mean the stubs?

A. Yes.

Q. In rejecting the stubs where there was the red line and no letter *D*?

A. I said, as I think, before, we found no such accounts.

Q. Does not your report show one such account?

A. There is one such account, I see.

Q. Do you recollect whether you rejected, so far as holding Dr. Douglas, the entire ledger account, or simply the deposit money, as represented by the stub?

A. I don't remember now without looking at the items of the account. My impression would be that none that had reached the University,—still I am not certain about that. Reference to the ledger, comparing that with the ledger, would show.

Q. Where you found a stub that had the letter *D* but no red line, but upon the back of the certificate it represented the full amount of the ledger account, did you hold Dr. Douglas for the amount of the ledger account, or simply the deposit money?

A. Simply the deposit money.

Q. If a certificate was in his possession, why should you not hold him for the ledger account?

A. They found none in his possession.

Q. Did not all of these certificates come to his possession?

A. These accounts were settled among delinquent accounts. You will find none of these except some where the books will show that more money was paid in than the receipts account for. I don't know whether there was any case of that kind or not. I think you will find nearly if not quite all of these were cases where there was no voucher to correspond with the reports. That is my impression of it. The largest amount of deficiency occurred in the year 1873-4.

Q. Did you take the ledger for 1873-4 and refer to those accounts for which there were stubs with the red lines and letter *D* that were rejected?

A. We had the ledger there. I cannot state whether we examined every particular account. We depended, to a large extent, for these matters, upon our accountant, Mr. Tregaskis, in the minutiae, for those matters,—we verifying the figures that he gave us, to a large extent.

Q. In your reports you have \$367 that is rejected, for which you state there were stubs with the letter *D* and red line, in 1873-4?

A. Yes, sir.

Q. Could you point us to any of those stubs or accounts that were thrown out,—rejected?

A. I could not without an examination. We have a list of them there which Mr. Tregaskis can easily find. There was a list made out which shows all of these accounts.

Q. Did you reject them simply upon the statement of Dr. Douglas, that he never has received the money?

A. No, sir.

Q. What further evidence did you have to satisfy yourselves that he had not received the money?

A. In '73-4 we had the complete set of the memoranda which Dr. Rose in his statement to the Board had testified to, and that Mr. Douglas testified to before us, showing, according to the testimony of both of them and in the state-

ment of Dr. Rose made to the Board as testimony, and we found there what they both referred to, a complete and accurate statement of the amounts turned over to Douglas and by Douglas to the Board for that year.

Q. Did you examine the annual report of Dr. Douglas for that year to ascertain whether in these particular items that make up the \$367, they were reported by him to the Regents?

A. I think we did.

Q. Did you find any of them accounted for by him?

A. I don't remember now, sir, whether we did or not. I can't tell without referring. We examined them all through with reference to all the accounts connected with the case.

By Mr. Taylor:

Q. In what year was Dr. Rose appointed assistant in the laboratory by the Board of Regents, and recognized by them?

A. I could not tell without referring to the records. I think that appears in our report, but I can't say. I was not upon the Board at that time. My impression is that was in 1866.

Q. That he was appointed by the Regents?

A. Yes, sir, that is my recollection; the records of the Board will show; I can look it up and see. On referring I see our report states that it was sometime in March, 1866. We got that, of course, from the records of the Board.

Q. Is it not true that the stub just before the one that is claimed to be a forgery, is genuine, and the one just after it?

A. That might involve the opinion to some extent, necessarily, of an expert, which I do not claim to be. I should say that those two signatures look more like the signatures of Dr. Douglas, from my knowledge of them; in the absence of any suspicion cast upon them, I should perhaps say that they were genuine.

Q. Are you a member of the finance committee of the Board of Regents at the present time?

A. Yes, sir.

Q. How long have you been?

A. Since last March.

Q. What position does S. H. Douglas hold in the laboratory, and what are his official duties?

A. He was the director of the laboratory. He had, as I understand, the charge, control, and direction of the laboratory, under the direction of the Board of Regents.

Q. Was it the province or duty of the financial committee to audit, examine, allow, and pass the accounts of Dr. Douglas?

A. It was, I suppose.

Q. Have you done so from year to year since you have been upon that committee?

A. It has been done by the committee, or by some member of the committee. As I stated yesterday, I looked over and examined the accounts for one year, and I think for two. The chairman of the committee, Regent Gilbert, I think, usually did the business himself, coming here a short time before the meeting of the Board.

Q. Were the items scrutinized and examined, or were they passed at arms-length in a nominal way, a mere form, without scrutiny or discussion?

A. They were examined, as far as I had connection with them, item by item.

Wherever there was any doubt upon items or vouchers, we called for an explanation. I think the report was usually within arm's length,—that is at the time we examined it.

Q. Was Dr. Douglas present at or during any of these auditings?

A. I think he was at the time I examined them.

Q. Was he called upon to explain any items or questions upon any of them as to commissions, interest, personal expenses, etc.?

A. I think he was, sir.

Q. If so, when, and what were such accounts?

A. I could not tell now. I recollect there were some items, I don't recollect what they were, that I raised some question about myself at the time and had an explanation of. I was satisfied with the explanation,—explained the matter to Regent Gilbert at the time, and we allowed the accounts. What they were, now, at this remote day, I could not say; I don't remember.

Q. Are those accounts what are called here reports of Dr. Douglas?

A. Yes, sir; I suppose they are his annual report to the Board.

Q. Did you ever examine them so far as to see whether they were footed correctly, whether they were correctly balanced, and whether the correct balance was brought forward from the previous year?

A. The one that I examined I think I footed; if not, I had the word of Mr. Bennett who had footed them; I am not sure about that. I think in examining the reports Dr. Douglas was by, the first time, and I found one or two errors in footing, one or two mistakes in entries. I think that was the case.

Q. Was there any endorsement or any mark placed upon them stating that they had been examined and found correct by your committee, or other evidence that you had passed upon them, and if so what?

A. I think none. I think the chairman of the committee made the report to the Board that the committee had examined the reports and found them correct. There was no endorsement made upon the report itself by Douglas to us; that is, I have no recollection.

Q. Could you identify them—is there anything to show that those papers now shown you were the same reports which were so passed upon and allowed?

A. If you mean the reports—there is one that has been placed in my hands; there was the report, I think of '67-8, that was handed to me. There is nothing upon the paper itself which I see to indicate that they were. Of course it is proper to state here that when the reports were made they were passed over to the Secretary and Steward of the Board and remained in his charge for the University, and I understand have been there ever since; Mr. Bennett, the Steward, can testify in regard to that. That, of course, I know nothing about.

Q. Upon these reports where the laboratory receipts are credited are the dates given when they were received, or are they not mainly entered at the end, or merely the footing of the year in gross amounts?

A. In some cases, my recollection is, they were found entered in full, with the names, I think, of each student and the corresponding amount. I think we found that there was an amount entered in lump corresponding with the amount of the vouchers. This I have before me, I see, with the names, I think, of each man entered, commencing April, May, June, and so on. I think there were others, according to my recollection, where they were entered in a lump.

Q. Have you or the Regents any records showing settlements with Dr. Douglas with figures, balances, etc., so that by your own records you can tell how much you were indebted to Dr. Douglas or he to you at any time during these

years, or showing that the accounts as examined and allowed by you are the same in their amount and balances now upon these reports as when passed by you?

A. So far as the first part of the question is concerned, I know the annual report of the finance committee to the Board is the only record of our settlement in regard to Douglas. Those reports contained several items of interest allowed to Dr. Douglas. I do not know now that we have any book which would show at any specified time the amount of money which was in the hands of Dr. Douglas belonging to the Board, showing how much he was indebted to the Board, or the Board to him, for the purpose of showing the items of interest. Those were annual statements which were made and certain items of interest which were charged,—monthly items, according to the amount the doctor was indebted to the University or the University to him. I don't know of any books which will show the specific amount on which interest should be charged. The account reported by us with vouchers was the only one I know.

Q. Were the reports itemized reports, all of them, or were many of them reports in gross, and were they not informal and unbusinesslike, with, in many instances, large sums simply set down in figures with no explanation of what it was for?

A. I think the reports will best show the committee—that is a matter for themselves; there were cases, as I stated, where the amounts were entered in gross, but with the vouchers corresponding with those. When that was the case, so far as I was concerned, I examined them to see if they did correspond. So far as its being unbusinesslike, the committee can judge, perhaps, for themselves as well as I can. Here is one of the reports, which, I think, is a fair sample of the reports. They are all here, subject to the committee's examination. The reports seem to be made out in good businesslike manner. That is one of the reports made out before I came in, but it was similar to those handed in afterwards.

P. Were the erasures made by you, the alterations, footings in pencil, and inked over?

A. I think not, sir, by us. They made no change in the reports except putting the marks on them where we had examined them and checked them off with the vouchers?

Q. Did you ever re-foot them?

A. I can't say whether we ever re-footed all the accounts ourselves or not. I am inclined to think we did not re-foot all the accounts. I think we took the action of the other committee upon them as the correct footings.

Q. Was there ever any evidence in these reports that during the past 10 years any money was received by Dr. Rose, and do the dates and amounts correspond to a single payment ever made by Dr. Rose during those 10 years?

A. I don't think Dr. Rose's name appears, so far as having received the money from him in the reports, according to my recollection. His accounts came directly from him to us.

Q. At the auditing of these accounts of the laboratory, were the ledger and stubs ever examined by the finance committee to see whether Dr. Douglas returned the whole laboratory receipts or not?

A. Not to my knowledge. I don't know that they were present. I never saw them before this question came up.

Q. Was Dr. Rose present at any of these auditings?

A. Not with me.

Q. Was Dr. Rose ever assigned any duties, such as cashier, bookkeeper of the laboratory, or the Regents? If so, when?

A. The resolution appointing Dr. Rose, which was done before my time upon the Board, will show the authority. The committee I think will judge. He was appointed, according to my recollection, as the assistant to Dr. Douglas, and I think that the resolution or papers at the time shows that he was appointed on account of his being a good accountant. I have read the resolution over, and the recommendation over, but not recently.

Q. Did you ever require him at any time to report receipts of the laboratory and what disposition he had made of the same to you in order that you might compare it with the report of Dr. Douglas for the same time, and see if they agreed, and that he had reported all he had received?

A. Not to my knowledge,—not while I was there. I had nothing to do with Dr. Rose in regard to the matter.

Q. Would this not have been the proper and correct thing to have done at such examination and auditing?

A. Very likely it would have been; very likely we should have gone further than we did. So far, perhaps, we are subject to censure.

Q. Was Dr. Rose ever required by you during all these years to make any report to you, or to account to you in any way?

A. I think not. I speak only so far as my own connection with the Board since 1872. We have required since then no report from him.

Q. Did you follow in the line of your predecessors?

A. I can't say as we did; perhaps we followed too much in the line of business as we found it when I went there. Perhaps oftentimes we get bitten for trusting men too much.

Q. Did you treat him in any way or manner as responsible to you for any laboratory receipts, or did you so consider him?

A. As I stated, we had no transaction with him during this time while I was a member of the Board. We settled with Dr. Douglas. The question of considering him liable for the moneys that came into his hands never was brought to my notice—and so far as I know, to the notice of the Board until this matter arose, and then the question came up as to the responsibility of Dr. Douglas in any event for the amounts which were received, whether retained by Rose or not, and the question was submitted to the attorney for the Board for his opinion in regard to it. His written opinion was on file with the Board in regard to the responsibility of Mr. Rose to the Regents.

Q. Who was their attorney?

A. Mr. Felch. As a legal question perhaps I have not examined it so far as I might. From examination of the resolution my opinion was that we could not hold Dr. Douglas for any deficiency that had occurred in the hands of Dr. Rose. I had not given the matter as careful an investigation as perhaps would be necessary to decide the question.

Q. Still I understood you a little while ago to say that you had never held Dr. Rose responsible to you?

A. That is, we had never had any communication with him in regard to those accounts.

Q. Never had passed the accounts?

A. No, sir.

Q. Never investigated them?

A. No; the Director I looked to to settle with, and did settle with him.

Q. Was there any intimation from you or any way in which Preston B. Rose might infer or suppose, after settling with Dr. Douglas as often as once a month for the last 10 years, paying to him the receipts and giving up all his vouchers to him, that he, Rose, had a further accounting to make to you?

A. I never had a word with Dr. Rose in regard to it in any way or shape. I can answer the question in no better way than that.

Q. Did you ever examine Dr. Douglas' statement of expenditures of moneys for steam heating apparatus in law building and museum, and did you observe in the account that he charged a commission of eight per cent., amounting to between \$700 and \$800?

A. I did, sir, examine that very carefully. That was one of the charges that were made openly, I think, in a newspaper, I think in this place, and by one other party against Dr. Douglas, and the committee made that a subject of careful investigation.

Q. In voting to pass this account, did you believe you were acting in accordance with the by-laws, chapter 4, section 1: "No debt or obligation whatever shall be incurred by or in behalf of this Board, except by resolution entered at length upon a journal, or by a committee of the Board, acting pursuant to authority, expressly delegated by the Board, and entered at length on the journal?"

A. I think I was. I will state that that was a matter that occurred several years before; it was a matter which was referred, I think, as the records will show, to the committee of which Regent Gilbert was chairman. The facts disclosed that an agreement had been made with Dr. Douglas to put in these works, which we investigated, and the facts show that a large saving was made to the University on account of Dr. Douglas' putting it up, which I think was done in vacation, if I remember right.

Mr. Pond—The witness answered as though the question referred to his action on the committee and examination, while the question would appear to refer to his action from the time the account was presented originally to the Board of Regents?

A. The fact occurred before I was a member of the Board, and the reports show that it was settled by the Board.

Q. Have you received and examined any report from Dr. Douglas of the money expended for the last enlargement of the laboratory, amounting to about \$7,000 or \$8,000 more or less?

A. I wish the question would fix the time; there has been several additions to the laboratory.

Q. The last enlargement?

A. I think we have; the last one three years ago, I understand.

Q. Did you authorize by a vote as Regents the payment of Dr. Douglas of a check for \$400, made out by Mr. Bennett, and if so, where is the resolution upon the proceedings, and was the check of \$400 paid by them a transaction in conformity to the by-laws, chapter 4, section 2?

A. I don't know, sir, whether there is any resolution in regard to it. I presume there is not. My recollection is that the matter was referred to a committee with all authority to take such action in regard to it as they saw fit, but of course the records of the Board will show in regard to that. The committee can refer to the action of the Board. I understand the by-laws to be that the Regents have authority to refer any matter to a committee to take such action on them as they shall think best for the interest of the University, giving them discretionary authority. That is the way I would interpret that.

Q. If the payment of the \$400 was ever authorized, where is the authority in writing?

A. I don't know, sir; I suppose the only authority is the reference of the matter to the committee. What that is I can't tell without referring to the records.

Q. Did you ever vote for a resolution authorizing Dr. Douglas to take commissions from five to eight per cent?

A. I don't think there was ever anything mentioned of that kind directly before the Board; I have no recollection of any now.

Q. What were the powers and duties of the executive committee of the Regents, and are they fixed by any by-law? If so, produce the same.

A. I don't remember now; I shall have to take time to look the by-laws over. I can look them over and answer that question by-and-by, after the recess.

The by-law was produced and read by the witness as follows (section 17 of chap. 3 of the by-laws): "The executive committee shall have the general supervision of the buildings, ground, and other property belonging to the University; they shall have charge of all the expenditures directed by the Board, except when the same are otherwise specially provided for; they shall have authority to institute suits in all cases for the recovery or protection of the property belonging to the University."

Question repeated.

A. I suppose this to be the by-law. Whether there are any resolutions or by-laws of the University conferring powers upon him, I do not know. I take it that the Regents would, of course, have the power to delegate any special authority to any committee of the Board, although it was not fixed by the by-laws.

Q. You say that Mr. Douglas first called your attention to irregularities in the laboratory; who is primarily liable to the Regents for all the money received at the laboratory?

A. I have already answered that question, and will say again that under the resolution appointing Prof. Rose, which was passed before I came upon the Board, and to which my attention was first called after this matter first came up, from a somewhat hasty examination of the by-law at the time, or of the resolution appointing him, I came to the conclusion that it could not hold Dr. Douglas for moneys that were received by Rose and not passed over by him to Dr. Douglas; that I stated the matter was referred to the attorney of the Board, Mr. Felch, who reported to the Board, I think, that Dr. Douglas was not liable for such moneys in his opinion.

Q. You say that Dr. Douglas at the time he told you Rose had given a due-bill, asked what he, Douglas, had better do, and that you advised him that you thought it was going on correctly:—what was going on correctly?

A. The proceedings to ascertain how much deficiency there was. My first idea at the time was to go on and investigate so as to ascertain how much there was, so as to take steps to secure the University.

Q. Are we to understand that after Mr. Douglas had stated to you the manner in which he was working to get Rose unconsciously committed in respect to his liabilities; that you advised Douglas to continue the same course in reference to the deficit?

A. I was aware of no steps being taken to unconsciously get any man to admit his liability. One, of course, under those circumstances would naturally suppose that the party calling attention to the deficiency, and stating what he did,

might have necessarily drawn the inference that money was in the hands of Mr. Rose. I think I stated to Dr. Douglas at the time, and stated to others since, before this matter came out, that if the money was found in the hands of Dr. Rose, and an explanation was given by him, showing that it was not guiltily there, I would not be in favor of removing him from the University or making the matter public, out of regard for himself or his family.

Question repeated.

A. I don't know how I could say anything more. I advised him to go on as he stated to me he had been doing. He did not state to me, and never intimated that he was trying to get Mr. Rose to unconsciously admit anything.

Q. What did he state to you at the time?

A. He stated to me that he had found an irregularity in the laboratory, and that there were amounts that had not been reported to him by Rose, and by him to the Board, in substance,—of course I cannot recall all the conversation. He stated to me what he had done in two or three instances with a view to ascertain the whole amount.

Q. Did the special committee, composed of Climie, Rynd, and Walker, make the report?

A. They did, sir.

Q. Is not that report found on page 17 of the journal of the special meeting in March?

A. It is found on pages 12 to 17,—the majority of the report of Climie and Rynd. From 18 to 21 inclusive is the minority report of S. S. Walker.

Q. Do not the majority of the committee find the balance against Prof. Douglas of \$6,984 in favor of the University?

A. I think not, sir, as I read that report. I never heard any such claim made for it except by one man. That report simply investigates the transactions in the laboratory, and finds a deficiency of that much, but expresses no opinion or contains no statement, anywhere that I remember, showing that it was in the hands of Dr. Douglas or in the hands of Dr. Rose. That committee, at the close of their report, recommend that it be referred to another committee for further investigation, as I understood, to ascertain that very question, which was the question mainly for the committee on which I was. If there were any such statements in that report, I have not been able to find them. That committee was appointed at the request, as I understand it (I was not at the meeting when they were appointed), of Dr. Douglas for an investigation. The resolution is found upon page 500 of the proceedings of the University, Dec. 21st: "*Resolved*, That conformedly with the request of Prof. S. A. Douglas, etc."

Q. Has Dr. Douglas ever given an account to the University of the chemicals and apparatus purchased by him in any one year, and a statement of the amount for which such chemicals and apparatus were sold, and how much thereafter remained unsold, and how much the net profits were for such year?

A. I don't know as he has made a statement containing all those items. The report showed all that the Board considered was essential in the matter. On the one side, I will state, was the amount received into the laboratory from students or from the sale of any apparatus or anything of the kind; on the other was the credit side what he had paid out. In that were contained the amounts that he had spent for chemicals, expenses. Those would show, of course, the transactions of the laboratory in general—what had been received and what had gone out.

Q. I understand there is quite a profit gained to the University for the laboratory by the sale of those chemicals?

A. Yes, sir.

Q. If he never has made any report to you of what that profit it is, how do you know where it goes to?

A. The reports show all the receipts into the laboratory and all the expenditures out of it, so that it covers the whole proceedings; must necessarily be there.

Q. What account is kept of such sales?

A. This ledger, as I understand, shows the annual account with the students, and those ledger accounts are represented—

Q. Outside sales?

A. There are no sales except perhaps for apparatus. Occasionally there is some old apparatus sold, but I have never heard of sales of chemicals to other parties than students.

Q. What accounts are kept of those? In what shape are those accounts?

A. They have been brought into the report of the Director to the Regents. I know of no other account,—never have seen any other account outside of that. Whether there is any book in which these are kept I am not aware; it is a thing that has very seldom occurred.

Q. You state you required vouchers of Dr. Douglas for moneys received in the laboratory; what were those vouchers?

A. They are the certificates of the students; they are vouchers that have been introduced into evidence here.

Q. Didn't your accountant find a defalcation in '64-5, and also in '65-6, and how much did you find in those years?

A. My recollection, without reference to report, is that there was an apparent deficiency in '64-5, if I remember the years correctly, of \$25; \$20 of that was claimed by Dr. Douglas and sworn to by him as having been included in an item afterwards of \$104 and some cents, and the committee saw no reasons to doubt that explanation. That left only \$5 for that year.

Q. Did you have any further proof in regard to that than Dr. Douglas' sworn statement?

A. Nothing more than the account which was filed afterwards, on which he claimed there were two items which corresponded to that.

Q. Circumstantial?

A. Yes, sir; nothing direct.

Q. How was it for '65-6?

A. In '65-6, I don't recollect any defalcation prior to the time of Mr. Rose coming in there in '65-6. I find in our report on page 38 a statement in regard to that, that during the first six months of '65-6 the accounts were kept by one C. H. Lewis; and we find at that time there were no delinquent accounts as far as we investigated. About the center of the page, the second paragraph on page 38, are the conclusions of the committee in regard to that.

Q. Explain that item?

A. I shall have to refer to the accounts: I do not recollect. That, I take it, is the \$25 of which I have spoken. The \$169.70 is not in my recollection at present, any further than the report there that all the deficiency there was in that year occurred after Mr. Rose came in.

Q. Who found this deficiency?

A. I don't know. I think some reference was made to it by the Clinie--

Rynd committee. Mr. Tregaskis was the accountant of that committee,—of both committees. I don't recollect the particulars in regard to that item.

Q. I understand you to say that extends back only to '66-7. In the report made by your committee at the June meeting in '76, did you not report as follows: "Your committee finds the whole deficiency from the years 1864-5 to Jan. '76, inclusive, to amount to \$5,507.43?"

A. I find that is the amount in that report.

Q. Does not that include nearly two years in which Dr. Rose was not connected with the laboratory?

A. It would if he was appointed in 1866. That included in our report the whole time, but we expressly state afterwards in regard to the years '64-5 and '65-6.

Q. In that report, on page 34, you state that the whole deficiency from and including '64-5 to Jan. '76, amounts to \$5,507.43, and yet in your tabulated statements in the same report, you state that the total deficiency from '66 to '76 is \$5,536.13; how do you account for the difference?

A. I can't answer that without referring to the accounts, my attention not having been called to it. I would ask time to refer to the accounts, which I will do during the recess. I am unable to state now without examination. I have not looked at the report since we made it until I came here this time.

Q. Take the tabulated statement in the report made in last June, page 35, and tell us how much of the whole amount of money is accounted for by the *D* and red lines if they are all genuine, and how much of this deficit would remain without deducting them?

A. If the *D*'s and the red lines were all genuine, then that amount would be deducted from the total amount of the deficit, which would represent the amount which would be in Dr. Douglas' hands, having been paid over by him, if I understand the question. In other words, if all the marks, with the exception of three, are genuine, and showed they were made by Douglas, and the money they represented paid over to him, of course he would be responsible for it, otherwise not.

Q. Did your committee not find and report the same deficiency for the years '64-5 and '65-6 that the Climie-Rynd committee found?

A. As far as '65-6 I don't remember; as far as '64-5 I think the question of the \$25 was raised with that committee the same as with ours. What they did with it I do not know.

Q. According to the report of your committee, and also the Climie-Rynd committee, was there not a defalcation in each of the two years that you examined next before the year that Dr. Rose entered the laboratory, namely, '64-5 and '65-6?

A. My recollection is now, sir, not; we found no direct evidence of defalcation for those years. I can examine it by referring to testimony; I can, perhaps, refresh my memory on that point.

Q. Did Dr. Rose appear before your committee and offer to put in his case if the decision should be final?

A. I think he did some time during the progress of the trial. The offer was to make our committee a board of arbitration. I think it was stated in our report what that offer was. The offer is found on page 32 of our report. Commencing on page 31 and following on page 32, will be found a series of propositions made by Mr. Rose through his attorney.

Q. After you had refused him did he not appear before the full Board of Regents, offering to put in his full case, and was refused?

A. After refusing to go before the committee, upon personal request of different members of the committee, and after, as I understand, having been notified by Regent McGowan, who was here on the ground, as chairman of the committee, before the rest, and notified the parties interested, when our report was made to the Board, a statement, through Mr. Sawyer or Mr. Beal, I forget which, was made to the Board asking for a hearing. When that was made, Regent Climie offered the following resolution, which is found on page 45 of the June meeting, which is as follows: "That Prof. P. B. Rose be allowed to appear before the Board of Regents and make a defense in the case now pending, provided that all oral testimony shall be under oath." Pending that, after we had been here nearly three weeks in the investigation of the matter, the question was asked, I think by some member of the Board, of Mr. Sawyer how long it would take them to put in their defense. My recollection is that he unrolled, or took from a basket, I forget which, a large package of papers which I should judge to be four or five inches in thickness, as they were spread out on the table, and said in substance that there was what had taken him nine months' solid work to prepare. He did not know how soon the Board of Regents could get through with it. Pending that resolution, Regent Walker offered the resolution which you will find on page 46. That resolution was adopted. The reason why the Board favored that resolution in preference to the other was that it seemed to be manifest that it was the intention to go into this account over which several committees had spent so much time; and it was said, I think by Walker, who introduced the resolution, that the object of it was to introduce Prof. Rose upon the stand, together with any papers, receipts, or anything he might have, but that we would not go into an examination of the accounts again. That resolution was adopted. I will say, however, myself voting against it, because I thought every opportunity had been given and everything done that could be done in honesty and fairness to everybody concerned; but it was passed by a majority of the Board, and Mr. Rose declined to accept that proposition. I would say that previous to the meeting of our committee, the then President of the committee had received letters from Mr. Sawyer, who was acting as the attorney for Mr. Rose in the matter, proposing certain questions as subjects of investigation by this committee. I answered Mr. Sawyer's letter—and I would thank him if he would produce the letter here—saying that every opportunity was given for a thorough investigation, regardless of all technicalities or anything of that kind. I think the paper contained certain questions which the accountant was to answer, and I think I wrote him that they would all be submitted. I don't remember whether they were submitted or not. That is the history of the refusal of the Board to hear Dr. Rose, as I remember.

Q. Did you examine the accounts of the laboratory in the years prior to Rose's connection with it?

A. I did, sir.

Q. How many years prior to his connection did you examine?

A. I think we examined particularly the years '64-5 and '65-6.

Q. Who had charge of the books and accounts during those years?

A. I recollect that Mr. Lewis had charge a portion of the time; the man's name who had charge before that I don't remember.

Q. In the fiscal year of '64-5 who had charge of the books?

A. I can't now remember the young man's name. I think we made no mention of it in our report.

Q. Did you find any delinquent account in that year?

A. We found only this apparent deficit of about \$25.

Q. Who had charge of the books in the fiscal year '65-6?

A. Mr. Lewis, I think, had charge of them a portion of the time.

Q. About what time in the year did Dr. Lewis close his connection with the laboratory?

A. I can only refresh my memory from the report. It was some time in March, '66.

Q. Did you find the accounts of Dr. Lewis to tally with the accounts of Dr. Douglas as returned to the Board.

A. I don't remember particularly, the accounts of Dr. Lewis, I recollect, on the examination of all the books in connection with the matter, to have found no deficiency for that year at all.

Q. Who succeeded Dr. Lewis?

A. Dr. Rose, I think.

Q. Is there any difficulty in distinguishing the work of Dr. Lewis and Dr. Rose by the hand-writing?

A. I think not, sir.

Q. Did you find any delinquent accounts that had been settled on the book in the hand-writing of Dr. Rose, from the month of March to the close of the fiscal year '65-6?

A. Yes, sir; I think we found a deficiency shortly after Rose came there. I know that is my recollection. I see we so report in our report on page 38.

Q. What objections, if any, did the Regents whom you say disclaimed having authorized the bill in chancery, make to the filing of such a bill?

A. As I remember their objections, there were none to the filing of the bill or to that method of arriving at the settlement of the difficulty. In fact, I think all concurred in the opinion that that was the proper way to settle it, rather than by suit at law, where it could be tried by jury. The only objections they made were two: First, to the employment of Mr. Kinne as the solicitor, who was understood to be employed by Dr. Douglas as his attorney, and, second, to the manner of drawing the bill, the allegations of the bill charging the fraudulent retaining of money on the part of Dr. Rose and not on the part of Dr. Douglas, charging no fraud on his part.

Q. Do you mean to be understood that you charged Rose with the whole of any account represented by a stub bearing Douglas' name or initial, except the one marked "Douglas," or only that you charged Rose with the residue of the account over and above the deposit, and charged Douglas with the deposit?

A. We charged him with the residue over and above the deposit of the \$10 as shown by the stub, as I understand it.

Q. Suppose Douglas' initial was placed on a stub when the deposit money was paid to him, and the certificate represented by such stub was returned by Douglas to the Regents, what was the effect on Douglas?

A. The effect upon Douglas would be that he had paid to the University \$10 deposit money, which he had not received of Prof. Rose.

Q. Were not the vouchers returned by Douglas to the Regents checked off and compared with the figures found on the wrappers, and with the accounts which appeared by the ledger to have been settled, during the same period, and did it not appear that the delinquent accounts were settled concurrently with the ac-

counts represented by the vouchers returned by Douglas and upon the wrappers?

A. My recollection is that they were,—that those delinquent accounts were mixed in,—about the same with the settlement of their accounts which were returned. I think there is a statement here that will show that.

Q. When Douglas' report or account was passed upon, what was done with such report or account?

A. It was filed away under the charge of the Secretary and Steward, brought back and put in the archives of the University.

Q. Were not disbursements on Douglas' accounts charged as items in all cases, and not in gross?

A. I have no recollection now of any items in gross. I think you will find upon examination that they were in items, in separate items for each expenditure. I have no recollection of any such gross amounts.

Q. Is there, in your opinion, any difference between being primarily liable for the money, and being primarily the person who rendered the account to the Regents?

A. I should think there might be quite a difference in a legal obligation.

Q. What is that difference?

A. "Primarily liable" will of course involve that in any event the man is responsible to the Director for the amount, while being "the man to make the report" or "return to the Board" would not necessarily imply any obligation on his part to be accountable for the money,—that would be the natural difference between the two phrases.

Q. Was the proposition made to the committee by Rose in writing when he asked a hearing?

A. Only the one. There was a bond presented which you will find on the pages 31 and 32; there is a statement on the bond accompanying propositions to the Board; the bond was in writing, the propositions were not.

Q. How much time was consumed in the hearing of those propositions and his counsel before the committee?

A. I cannot say how much time exactly. We gave a broad latitude on all those things. The first proposition made was the one accompanying the bond. We heard the statements of the parties in regard to that and took them into consideration and adjourned to the afternoon, and the committee declined to accept the proposition contained in the bond. Then the other propositions were made, and the counsel were allowed considerable time on both sides to make their statements in regard to it,—as to how much I cannot say. I think we used all of that day in hearing these propositions.

Q. You say Dr. Douglas denied his responsibility to the amount you found due from him, but because of his negligence you charge it to him; is it not true that at that same meeting Dr. Douglas consented to have the same charged to him?

A. I think it is, and I think you will find the resolution contains a consent on his part according to my recollection of it.

Q. Is it not true that Douglas' private books were models of books of accounts, and is it not also true that the book showing his account with the University, was mostly in pencil, and the most bungling affair?

A. As far as that book is concerned, I would presume gentlemen can judge as well as myself, that it was mainly in pencil.

Mr. Douglas.—That book, I would like to state, was designed simply for a

scratch book,—a sort of memoranda, in the main, of transactions that occurred in the laboratory, and at the whole University since 1847, I think. In the main I presume, it will be found accurate.

A. That is the same book that was submitted to our committee. I will state in regard to his own books they do bear the appearance of having been kept with a great deal of care and accuracy,—his own private books, his cash book that he submitted to the committee for inspection.

Q. Has Rose ever testified that the wrappers for '73-4, or any other year, were complete or genuine?

A. He has not, sir.

Q. Is the fourth section, page 20, of the by-laws of the University, still in force?

A. Section 4 reads: "Each student will be furnished with apparatus, and chemicals at cost price, or according to the price list of New York dealers, and only such chemicals as shall be actually used shall be charged, and the amount thus received by the Professor of Chemistry shall constitute a fund in his hands for the purchase of apparatus and chemicals for the laboratory, which amount shall be properly accounted for at the end of the year." The first part of the section I understand to be in force; the latter part is not, I believe. I understand the sale of chemicals is carried on the same as heretofore, but all moneys now are paid into the treasury, or the Steward of the University, from those sales. A new system was adopted, or substantially the old was corrected, so as to avoid any mistakes or errors.

Q. When did that modification take place?

A. I think it took place in the early part of this year, perhaps the latter part of last,—I don't remember definitely; I don't know but it was the latter part of last year; it might have been at the October meeting of last year,—I am not certain about that,—the October meeting of the year before, 1875. Mr. Bennett knows all about the time. He put that in force, and can show the system and testify in regard to it.

Q. Was there ever a resolution authorizing you to allow any or all of those commissions to Douglas?

A. I know of no resolution authorizing the payment, directly, of any specific sum as a commission to Dr. Douglas for the buildings, putting in apparatus or additions to the laboratory, or any other. As I said before, those matters were usually referred to a committee with power to act and see that the work was done, and that committee then made their report to the Board of their doings, and they were ratified by the Board.

Examined by Mr. Kelley:

Q. The counsel which you employed made out that statement, did they not, and submitted it to the committee during their investigation?

A. I believe, sir, that is one of the lists that was made out. The hand-writing I do not now identify, but I think that is one.

Q. You find there number 35: that is one of the rejected accounts, the accounts not charged to Douglas?

A. Yes, sir.

Q. Bearing the initial S. H. D., and also the red lines?

A. Yes, sir.

Q. On page 85 of the ledger is the same account?

A. Yes, sir.

Q. Why was not that account charged to Dr. Douglas?

A. The whole account?

Q. Yes.

A. For the same reason, I take it, that none of the others were charged. There was no voucher found by him in the files for reports made by him to the Board.

Q. No certificate?

A. No certificate. For that, and for other reasons set out in our report, we ckoned that account in as one of the delinquents.

Q. The accounts represented on page 86 and 87 were charged to him to be accounted for, were they not?

A. I could not tell without referring to the reports. 86 and 87 are not upon this list as delinquents. I suppose those to be one for which there were no vouchers returned to the Board.

Q. I understood you to say that you ascertained from Dr. Douglas and Rose that their system of keeping accounts was to settle at the close of the month, taking the certificates that had been surrendered, comparing them with the accounts, and also with the stubs?

A. No, sir, not comparing them with the accounts. I don't understand they had this ledger with them at the time they settled; they settled from the receipts, as I remember from the testimony.

Q. How did they ascertain the amount to be endorsed on the back of the certificate, if they did not refer to the ledger?

A. That was done by Mr. Rose.

Q. Was there no reference made to the ledger?

A. Not that I am aware of.

Q. Was there any question raised that the initials S. H. D. on that stub were not genuine?

A. I knw of none being raised.

Q. Why was not the deposit money then charged to Dr. Douglas?

A. I don't know but it was; I think it was charged to him; I am not certain about that; his statement will show it. This shows the whole amount as I understand it, looking at it now, the whole amount of the account if I am not in error in regard to that; and in settling, I think the \$10 not accounted for was taken out.

Q. You think \$10 of that amount was eventually charged to Dr. Douglas?

A. That is my recollection now.

Q. Can you find where in your report?

A. I think it is included in the whole amount of the stub—the eleven hundred and some odd dollars. As I remember, we charged him with all the stubs on which we found the initial letter D, or S. H. D., except that one "Dougles."

Q. And whenever there was no voucher returned regardless of whether the red line was upon the stub or not, you did not charge him with the amount of the ledger account exclusive of the deposits?

A. If I understand your question, I think that is correct.

Q. And that was the course you pursued with all the accounts?

A. Yes, sir. I have one statement which I wish to make in regard to the employment of Mr. Kinne,—in regard to how he came to be employed by the Board. I suppose I know more about that than any one else, and either now or after the recess I would like to make a statement in regard to it.

Q. Go on.

A. I will state in regard to the employment of Mr. Kinne by the Regents,

Mr. Walker is probably correct in his statement that by the Board of Regents as a Board he was not employed. My recollection of the matter is this: that after the June meeting Mr. Rose commenced a suit against the University. The papers I think were handed to me by Dr. Angell. I was the only Regent here at that time, I think, in the town. I took them to Mr. Felch, who had been the attorney for the Board, he and Mr. Walker having been for some years the only counsel the Board had employed. Mr. Felch, on account of his health, and possibility that he might not be here, said we had better have some other attorney of record here, in order that there might be some one here to serve papers upon, etc., and suggested Mr. Kinne. And I think I myself took the summons in the case to Mr. Kinne and requested him to appear in the case; and as far as any blame of that is concerned, it attaches to me. I had no thought at the time of any impropriety in regard to the employment of Mr. Kinne. I knew at the time that he was employed by Dr. Douglas in a libel suit pending between him and Mr. R. A. Beal, and without thinking I placed the papers in his hands. After the other suit was commenced, Mr. Kinne, on the suggestion of Gov. Felch, and myself assenting thereto, was submitted as attorney of record in the case commenced by the University against Dr. Rose; and going into Detroit one time, Kinne going in with me, we had a consultation with C. I. and E. C. Walker in regard to the best method of procedure to indemnify the University and obtain the money, and it was thought that if a reference could not be had under the statute in a suit at law the best way was to file a bill in chancery. I suggested that I had every confidence in Mr. Kinne as an able attorney and a man who would do justice by the University. The moment the thing was first brought up at the last meeting of the Board it was seen it might perhaps be considered in some respects improper, and Mr. Felch was therefore substituted as the solicitor in the case.

Q. Is not Mr. Kinne still attorney of record in two cases pending in the circuit court for the county between the Regents and Mr. Rose?

A. I am not certain whether he is or not. As I said, he was. Whether there has been a substitution or not I do not know. I saw no impropriety and do not now, under the circumstances, in the employment of Mr. Kinne, and as far as any blame is concerned, I took that upon myself.

Q. You have stated about how much time was given to hearing the proposition of Dr. Rose, about how much time was consumed by that committee in making their investigation?

A. From that time they spent every day until the meeting of the Board of Regents, on the 16th of June, working, I think, every day from the first day of June until the 16th of June.

Q. How much of that time was consumed in hearing of Dr. Douglas' side and taking his testimony in the case?

A. I could not say; some two or three days; I should think perhaps more. The record that you have will show the dates. On page 33 is shown the witnesses that were examined. Three I believe did not come, two of whom are Mr. R. A. Beal and Mr. Rose.

Q. Were Rose and his counsel given all the time before the committee which they chose to take?

A. Yes, sir; all the time.

REGENT GRANT RE-CALLED.

Examined by Mr. Taylor:

Q. Suppose that at one and the same time Rose should pay over to Douglas money and pay over to him a large number of certificates answering to the amount of money so paid over, but afterwards Douglas should mislay or retain part of the certificates and only account for the balance, what would be the effect thereof as between Rose and Douglas?

A. Of course the effect would be that the money would be in the hands of Dr. Douglas and not Dr. Rose. That would be as a matter of course.

Examined by Mr. Kelley.

Q. In the report of the committee, the table that is appended to that report for the year '67 and '68, the item in the column marked stub account with red lines and initial *D*, I find the amount \$198.35; that amount Dr. Douglas was not held for, as I understood your testimony this morning, or in other words, it was found by the committee that that amount for that year had not passed into his possession?

A. I could not say about that, whether that includes the stub account. My impression would be from seeing it now, that it did. I will state that we found the whole amount of deficiencies and deducted therefrom the whole amount of stub accounts, or the \$10 deposits on the stubs represented by the letter *D*. That is the way we arrived at our conclusion.

Q. Does not, in that year, the column that is designated the stub accounts with red lines and initial *D*, and the column of stub accounts with initial *D* and no red lines, make up the total amounts which you claim to have been deficient that year?

A. Yes, sir, those two items, I understand, include the amount we claim deficient.

Q. From your report, or from any action taken by that committee, was any part of those two items charged to Dr. Douglas for which you required him to account?

A. I could not say as to those particular items for that year, any further, without a further examination of the papers. I will answer your question in this way, by saying that we deducted from the whole amount of the deficiencies the \$10 account which had not been reported to the Board. I presume that some of those are included in those accounts.

Q. Take this year for example,—those two amounts with others in which the claims are carried forward into one total make \$281.45, and the committee followed up in that manner for the different years, arriving at the total deficit?

A. Yes, sir.

Q. Can you show where the committee in their investigation had deducted any amounts for the \$10 items on the stubs?

A. I don't think I can, from our report, itemize any particular stub.

Q. I mean can you show where you have deducted the aggregate of all the \$10 items that you say you have deducted from the grand total?

A. You will find a conclusion of the committee on the bottom of page 40 and the top of page 41 in regard to that. The treatment of the committee of this commences on page 39. There you will find stated the conclusions.

Q. Can you give us the amount that the committee in their investigations found that Dr. Rose should account for to the University?

A. On page 47 it is shown to be \$4,362.65.

Q. Where do you find that evidence in the report?

A. I see on the bottom of page 37 it appears for the five years, '69 to '73, it is fixed at \$4,386.61 less that deposit money. I do not now fix my eye upon any statement in the report which gives the exact figures after deducting the amount of stub money.

Q. Would it be the amount of \$5,536.13 less the \$1,855.26 which is reported here as the amount of stub money at the bottom of your table designated as "total stub account?"

A. That is the stubless account where there were no stubs. The amount of stub money is represented in the place I have shown you, \$1,164.75, on page 39.

Q. On page 37 is that \$4,386.61 intended to represent the amount of delinquency?

A. No, that represents the amount of deficiency for those five years, where we found these memoranda or figures which are made by Douglas and Rose at the time of their monthly settlement.

Q. Is not the full amount of the first column in your table the stub account with red line and letter *D* included in the amount the committee found Dr. Rose should account for?

A. I think not, sir. I think there are stub accounts there, \$10 deposits, which we deducted in making up our summary; we did not separate each year by itself, we took the whole amount of stub accounts and deducted them from the whole amount of deficiency.

Q. You cannot tell where you derived those figures mentioned in the resolution referred to?

A. No, I cannot. I can tell where they were derived from, but whether there is a statement in the report of that amount it can easily be found by deducting the \$1,100 from the total amount of deficiency, \$5,507.43. The amount of I. Freund's is \$28.71. I forget now the history of that matter, but we deducted that from the amount for some reason or other which I have now forgotten. I cannot tell without refreshing my mind from the testimony, but that I see leaves the total amount.

R. Then I understand you to say from the total amount, as shown by this table, deducting the \$1,174.65, would be the balance which the committee found Dr. Rose was to account for?

A. Yes, sir.

Q. Did you examine and compare the names that appear upon this statement that is prepared for your use with the private book kept by Dr. Douglas to see if any of the same names and amounts appeared upon that book?

A. Yes, sir, I think we did.

Q. Did you find any of them?

A. Any of those on the delinquent list?

Q. Yes.

A. I did not, sir.

C. B. GRANT RECALLED.

Examined by Mr. Taylor:

Q. I understand that all officers of the University (every salaried officer) must be appointed by a resolution of the Board of Regents?

A. Yes, sir; I believe that is the rule.

Q. Can you show me in any of the proceedings of the Board of Regents where Mr. Rose was appointed assistant in the laboratory?

A. I am not sure whether I can find that. There is a resolution I think on page 320 of the proceedings of the Board of Regents in 1868, I judge, in regard to that. It seems he had been appointed before that. This is the report of the executive committee. It seems that report was adopted on motion of Regent Walker.

Q. I understood you in your testimony yesterday to state, that Dr. Rose was appointed assistant in the laboratory in 1866?

A. That was my impression, sir,—my recollection of it. Whether there are any proceedings, I have not examined the books to see. I think there is another resolution.

Q. I have looked through all the years 1866 and 1867, and I have been unable to find it.

A. I will examine further. I do not wish to take up the time of the committee at present. I think there is another resolution, but I may be mistaken.

Q. Was there a resolution employing Dr. Rose after this report of the executive committee was adopted?

A. I can't tell now without examination. My impression is that there was another resolution that I have seen before this one. I can't now recollect it.

Q. You are certain that the only way salaried officers can be employed in the University is by resolution of the Board of Regents, that is the right way?

A. That is the right way, and the usual way it is done. I know of no acts since I have been on the Board where any salaried officer has been appointed except by resolution of the Board.

BYRON M. CUTCHEON SWORN.—DIRECT EXAMINATION.

By Mr. Kelley:

Q. Are you one of the Regents of the University?

A. Yes, sir.

Q. How long have you occupied that position?

A. My term commenced the 1st of January, 1876. I first met with the Board in March, 1876.

Q. Have you been present at the meetings of the Board ever since that time?

A. I was present at the march meeting, 1876, and the December meeting of 1876. Those were the only meetings I attended. The June meeting I was not present at.

Q. Were you present at that meeting of the Board at which the report of the committee was presented?

A. I was present at the meeting at which the second report, known as the Climie report [was made], but not at the meeting at which McGowan's committee reported.

Q. When the Climie committee report came in, what action was taken in reference to the parties who were shown as delinquent by that report?

A. That report did not assume to show to whom the delinquency was chargeable, but merely showed that there was a delinquency in the laboratory accounts. Prior to that Dr. Rose had been suspended; Dr. Douglas was continued. That time I don't know as you want me to go on and state.

Q. Go ahead?

A. At that time a motion was made—my impression is by Regent Rynd; I only speak from recollection, without referring to the minutes—that, inasmuch as the delinquency was not fixed as between these two gentlemen, that, in order that they might be put upon the same footing, Dr. Douglas be also suspended

until the delinquency could be chargeable to some single one. That motion was withdrawn, and the motion was made to put them upon an equal footing; and as they were both to be presumed innocent until they were proven to be guilty, and that Dr. Rose be reinstated. A new committee was then appointed to prosecute the investigation as to the party to whom the delinquency was chargeable.

Q. And that committee as then appointed were who?

A. Regents McGowan, Grant, and Estabrook.

Q. Were you present when the report from that committee came in?

A. I was not.

Q. Were there any instructions given to take the case into court,—commence suits at law?

A. A resolution was adopted,—two resolutions were adopted; and the resolutions—I will have to refresh my memory—the first resolution was that this committee proceed to investigate to whom the delinquency was chargeable, and the second resolution, if I remember correctly, was authorizing them to submit to arbitration or amicably settle it; the second resolution, if I remember correctly, was supplemental.

Q. Were you present at the time Dr. Rose was suspended from his place in the laboratory?

A. I was not; that was before I entered upon my duties.

Q. I mean the second time?

A. I was not.

Q. Were you present when the resolution was offered that is found on page 47?

A. No, sir; I was not present during that session,—the June session.

Q. Have you ever participated in any of the investigations?

A. I have not. I have never been a member of any committee; and the only occasion I have ever been called upon in reference to the matter was [during] the proceedings at the March meeting of last year,—the resolutions found on the top of page 22 and the resolution at the top of page 24. I was present and voted upon those.

Q. Have you been present at the annual meeting of this Board of Regents at which the report of the Director of the laboratory was acted upon?

A. No, sir; I never have.

Q. Have you ever seen any of his annual reports?

A. I never have.

Q. Have they ever been presented to the Board of Regents for examination during your term?

A. I believe those reports are usually settled at the June meeting, and last year the June meeting was not held at the regular time, or the ordinary time. It was determined to call a special meeting of the board, and it was telegraphed to me. In order to reach here at the time of the meeting, it would be necessary for me to leave immediately, but I was right in the middle of a term of court, and I was engaged in the trial of jury causes; had some five jury cases on peremptory call, and I found it utterly impossible for me to make any arrangement to leave, so that I was not able to be at that meeting at all.

Q. Have the Board of Regents, at any time since you have been a member, required a statement from the Director of the laboratory showing the amount of profits per annum derived from that department,—the net profits?

A. I understood that before I came upon the Board, at the meeting last be-

fore I came upon the Board, some action of that nature was taken, requiring a full accounting by the Director of the laboratory, and to render vouchers for everything; but since I have been a member there has been nothing of that kind.

Q. While you have been a member of that Board, at any of the meetings you were present at, did the Regents decide to commence the chancery suit that is now pending?

A. No, sir; not for the commencement of the chancery suit now pending; but the case that they did—

Q. I mean at any meeting at which you were present?

A. No, sir.

Q. Was the matter discussed at your last meeting?

A. The matter was up before the Board in reference to that chancery suit.

Q. Did it appear from the discussion at that time that this chancery suit had been commenced by authority of the Board of Regents?

A. It was claimed by Regent Walker that it had been commenced under the general authority given to the executive committee.

Q. Who constituted the executive committee?

A. President Angell, *ex officio*, Regent Walker, chairman, Mr. McGowan, and myself.

Q. Had you been consulted as a member of the committee?

A. I had not. I was not aware that any suit had been commenced until the bill was laid upon my table, and then only by inquiry I ascertained that the bill had been filed, and it was laid before us for examination.

Q. Has the question of affording Dr. Rose an ample opportunity to present his views of the delinquency ever been discussed before the Board of Regents?

A. It was.

Q. I mean in your presence.

A. Not in my presence. I understood it was at the June meeting, and acted upon.

Q. Was it discussed at the last meeting at which you were present?

A. I think not; nothing more than it might have accidentally occurred in the discussion of the bill of chancery.

Q. Did any of the members present disclaim any authority from them for the instituting of this chancery suit?

A. Before answering that question I will say that whatever transpired was in secret session of our executive committee. I suppose the authority of the committee goes behind that.

Mr. Grant,—It has been stated what took place there.

A. I will state that this matter was brought up, and that there were three members of the Board that disclaimed all knowledge and all responsibility of the suit in the form in which it was brought.

Q. Was Dr. Angell present at the meeting of that Board?

A. He was.

Q. Did he direct anything in the commencement of this suit or have knowledge of it?

A. The particular question that was raised was with reference to the employment of the solicitor whose name appeared upon the bill. I raised that question, and Mr. Climie, I think, raised it first, and each member of the executive committee personally disclaimed any knowledge or responsibility for Mr. Kinne's appearing as solicitor.

Q. For the employment of Mr. Kinne?

A. Yes, sir; that is the point. I believe that that was the only point, if I remember correctly. I raised objections to the draft of the bill, the form of the bill. I remember Regent Grant and I had quite a discussion in regard to the matter.

Q. What other members of the Board?

A. Climie, Rynd, and myself were the three that disclaimed the bill.

Q. Was C. I. Walker retained by the Board as counsel?

A. Not to my knowledge since I have been a member of the Board. The only knowledge I have is the report on page 22 of the proceedings of the executive committee, to whom was referred the duty of arranging with Dr. Rose, etc. This was reported to the March meeting last year, since I have been a member of the executive committee. I was put upon the committee at that time. I have never known of any action being taken in regard to the retaining of counsel for the Board.

Q. Do you know who drafted that bill?

A. I don't know; I only have an idea from what Regent Walker said at that time. He said he supposed his brother, C. I. Walker, drafted it.

Q. Do you know anything about the accounts connected with the laboratory department?

A. I do not, only as I have read the reports.

Q. You never have examined the accounts?

A. No, sir. I have not been on any of the committees, and the matter has never been brought before the Board except by reports of committee.

Q. And but one report from the laboratory department has been made since you were a member?

A. And that [at] a meeting at which I was not present.

Q. Do I understand you to say that you were present when the McGowan and Grant committee reported?

A. I do not. That was acted upon in my absence.

Q. Do you know of any salaried officers or professors of the University having been employed without the authority of the Board of Regents?

A. I don't. Sometimes the executive committee make temporary arrangements, but it is always laid before the Board at the first meeting. I remember the executive committee made temporary arrangements with an instructor last year.

Q. For what purpose did they lay it before the Board?

A. That it might be affirmed by the Board and made a matter of record.

Q. Did you not personally ask every Regent as to his knowledge of the bill in chancery of which you speak, and did not each Regent disclaim any knowledge thereof?

A. I asked each member of the executive committee, but not each Regent; but I believe as a matter of fact that each Regent did disclaim any knowledge of Kinne's employment. My question was directed to the members of the executive committee, because it was with them to employ counsel.

Q. Was any objection made by any Regent in regard to the chancery suit except what you have stated?

A. The objection by Climie, Rynd, and myself—no; I think there were no other Regents that objected to it. I objected both to the solicitor and to the draft of the bill. My objection was that the bill was so drawn that in case upon the trial of the cause and hearing a deficiency should be found against Dr.

Douglas there was no room for a decree against him in the bill. It appeared to me so, and I made that objection. I objected both to the solicitor and to the draft of the bill.

Q. What objection did you have to the solicitor?

A. Because he never had been employed by anybody. I also objected because I understood he had been in the employ, for a long time, of Dr. Douglas, one of the defendants named in the bill.

Q. Was it not the opinion of all that the chancery suit was the best method of trying the case?

A. I cannot answer that. It involved long accountings which can usually be best carried forward by reference to a master, but I don't know that any particular opinion was expressed in regard to that,—whether it was best. That was not the objection, however,—that that was not the best form of action. My objection was to the draft of the bill as it had been framed.

Q. In your opinion, was a suit in chancery the best form of arriving at a settlement of the difficulties between the parties?

A. I don't know that I am prepared to answer that. I will answer that in a general way. Where there are long and intricate accountings to be made, chancery is usually the best form of action; where there are litigated matters of fact, conflicting testimony of witnesses, questions of veracity of witnesses, the genuineness of signatures, or anything of that kind, I usually consider a jury the best judges of such matters as those.

Q. Are you a practicing attorney?

A. Yes, sir; I have been a practicing attorney for 11 years.

By Mr. Taylor:

Q. Was there any other matter in that chancery bill that you objected to,—only the matter you have stated in regard to the draft of the bill?

A. I did not raise an objection that the suit was brought on the chancery instead of the law side of the court, but that as the bill was framed, if the deficiency should be found on the account as against Dr. Douglas, it seemed to me no decree could be entered for it,—in other words, that the bill was so drawn that upon any traverse or answer of Dr. Douglas it would not raise an issue as to any moneys that might be found in his hands.

Q. Have you a copy of that bill?

A. I have it at home. I took one home with me; I have none here.

Q. It is not such a bill as you would have drawn for the Board of Regents in this case in chancery?

A. No, sir; not if I had been employed as an attorney to draw it.

Q. In the interest of the State of Michigan?

A. That is simply my personal opinion; others might think differently.

By Mr. Kelley:

Q. Does the method of setting up the allegations in that bill correspond with the last report of the committee of investigation?

A. I believe it does in this way and to this extent,—that the last committee found Dr. Rose responsible for the deficiency, and as I understand, exculpated Dr. Douglas; and the bill seemed to proceed upon that theory,—that the money is in Dr. Rose's hands, and not in Dr. Douglas'. That the bill proceeded upon that theory, and that is the very thing I complained of: that I should have made them both equal defendants, so that upon the accounting, if it was found in the hands of one or the other, he should have been held responsible.

This is the first time it has gone into the court where both parties should be required to make their defense under the rules of law, and my theory was to put them upon an exact equality, and not to go upon the report of the committee, but to put them upon an equal footing before the court, so that if a deficiency were found in the hands of one or the other he would stand exactly in the same attitude.

By Mr. Taylor :

Q. Courts are not supposed to know anything about investigating committees ?

A. That is my theory exactly.

By Mr. Kelley :

Q. What really was asked for in the bill against the defendants, whether jointly or severally?

A. The bill was filed against Rose and his bondsmen, who had become responsible for any judgment or decree that might be rendered against him, and against Dr. Douglas. As against Dr. Rose they asked that a decree might pass against him and his bondsmen for the amount that might be found, and in the case of Dr. Douglas it asked that if anything should be found in his hand it might be made an offset against advances that he had made,—might be allowed on his account.

By Mr. Taylor :

Q. If the matter had been submitted to you, would you have commenced a suit in law or in chancery?

A. I don't know. There are aspects in the case which make it a very proper case for chancery, and then there are other aspects of the case that make it eminently a jury case. I am inclined to think I would have commenced in law ; but there are better lawyers on the Executive Committee than I am,—older lawyers.

Q. Is it not in the discretion of the court in chancery to send any question of fact to the jury?

A. Certainly ; but the finding of that jury is not binding upon the judgment of the court ; it is simply to aid the judgment of the court.

Q. What, in your opinion, can be recovered against Douglas in this suit, if any money should be found in his hands?

A. Let me look at the bill. Paragraph 12 of the bill alleges: "Complainants aver that, as they are informed and believe, the items of laboratory receipts specified in the third column of schedule A have none of them been accounted for or paid to the defendant Douglas by the defendant Rose, but that he, Rose, has fraudulently appropriated the same to his own use." I think that allegation estops the Board, if it should be found that any part of the laboratory receipts were in the hands of Douglas, from recovering, because they have, in their own pleadings, alleged that they believe that they are all in the hands of Dr. Rose. The 13th paragraph says: "As to the items of deposit moneys specified in the second column of schedule A, the complainants are informed and believe that a portion thereof the defendant Rose has accounted for and paid to the defendant Douglas, and a portion he has fraudulently appropriated to his own use ; but what portion is in the hands of each can only be ascertained by an accounting in respect to these deposit moneys," etc. Under this bill I think if any part of the deposit moneys should be found in Dr. Douglas' hands the decree would enter against him for the payment, or for the accounting for

those deposit moneys; but it seems to me that by this bill the Board is estopped from claiming any part of the laboratory receipts.

Q. Has your attention been called to the prayer for relief?

A. Yes, sir. It prays that a "final decree may be rendered against the defendant Rose for the payment of any sum which should be found to be due from him on such account, and also the defendant, Rice A. Beal, one of his sureties on the bonds, and to the executor of the estate of Mr. Smith, another of said sureties; and if on such accounting it should be found that any sum were justly due the complainants from the defendant Douglas, the complainants would be entitled to credit therefor on account of said Douglas for advances." It seems to me that the bill in paragraph 13 has confined the recovery against Douglas to any part of the deposit money that may be found in his hands.

By Mr. Taylor :

Q. You were not present at the June meeting of the Regents?

A. No, sir.

Q. Do you know anything about any bond given by Rice A. Beal?

A. I understood that a bond was tendered for an arbitration at that meeting. That was my understanding.

Q. Was there any agreement on the part of the Board of Regents to join issue in any particular term of court, in any action of law?

A. The resolution found on page 46 of the proceedings, submitted by Regent Grant. I only know from the record; I was not present.

Q. Who has been counsel of the Board of Regents?

A. There has been no counsel employed since I came into the Board; but from the report of the executive committee, made at the March meeting, 1876, I understand that ex-Governor Felch, of this city, and the Hon. C. I. Walker, of Detroit, were employed by the old executive committee.

Q. Are they lawyers of standing and reputation?

A. Yes, sir; both of them.

Q. Do you feel clear in your opinion that no decree could be made against Dr. Douglas under the bill as drawn except for the deposit moneys? Is there not a prayer for general relief?

A. There is the usual prayer: "Such other relief in the premises as the nature of the circumstances of the case may require."

Q. In case any moneys were found in the hands of Dr. Douglas, would that reach it?

A. Possibly it might be covered by this: "And if on such accounting it should be found any sum was justly due the complainants from the defendant Douglas, the complainants should be entitled to credit therefor on account of said Douglas." That might extend to the amount of Douglas' advances. He does not ask for any decree that Douglas pay anything, but that if anything be found in his hands it might be made an offset to his advances. To that extent there is a prayer, certainly.

Q. Is there not a prayer for general relief?

A. In answer to that question, I read the prayer for general relief.

By Mr. Kelley :

Q. What relief could be afforded if the specific prayer for relief was stricken out and merely the general prayer for relief remained in that bill?

A. Our Supreme Court have gone a good ways on prayers for general relief. They have granted in some cases very specific relief in their prayer for general

relief. If they considered it essential to the justice of the case, they might grant that relief without its being specifically prayed [for].

By Mr. Taylor :

Q. Cannot the court in such prayer, if Dr. Douglas is found indebted, decree its payment?

A. Possibly they might, but at the same time they would have to do it right against the allegations in the fore part of the bill: "That they are informed and believed that there is no part of the laboratory receipts in his hands." Still, I suppose they could go right over our information and belief, if we had been informed and believed incorrectly. That was what I objected to,—putting that in in that way by the pleader.

Q. Is there anything in the resolutions passed at the June session which indicates that the suit to be commenced shall be on the law side of the court?

A. Nothing specially. The word "suit" is used.* That is a word that is applicable to suits on both sides of the court, and "trial" and "hearing" are both used. "Trial" is usually applied to a trial on the law side, and "hearing" to a trial on the chancery side. The resolution would be applicable to either. I don't think it was tied up by that resolution.

Q. Can you recover under a prayer for general relief when there is no allegation in the bill to support it?

A. The rule is that the proofs must follow the allegations. The further rule is that the decree must follow the allegations and proof,—*allegata et probata* (things alleged and proved),—and your proofs must follow your allegations.

Q. Is there any allegation in the bill to support a prayer for general relief under which a recovery could be had against Douglas?

A. Yes, sir; to the amount of the deposit money.

Q. Not any further?

A. I don't find it. I will say that at the time this was up it was stated, as I understood by Mr. Walker and others, that the bill had been framed upon the hypothesis of the report of the McGowan committee. They thought they were justified in following our own records in drawing the pleadings.

By Mr. Kelley :

Q. Why were not the records of the Climie committee followed?

A. That committee, as I stated before, did not assume to distribute the liability or the responsibility as between Douglas and Rose, but simply found it in gross in the laboratory.

Q. It found a deficiency in the laboratory department to a specific amount?

A. Yes, sir; but did not assume to establish to whom it was attributed.

Q. The report of that committee also found that certain parties had been in charge of the laboratory during that series of years over which their investigation extended?

A. Yes, sir.

Q. If a majority of Regents were satisfied that Dr. Douglas had not fraudulently retained any of the money, would it, in your opinion, have been proper to have charged him with fraud in the bill?

A. I don't think it was necessary to charge him with fraud at all,—a mere matter of accounting as to moneys remaining in his hands. I don't think it was any part of the case to charge fraud.

By Mr. Mills:

Q. To whom did the board trace the responsibility of employing the objectionable counsel?

A. The responsibility of employing Mr. Kinne,—Dr. Angell disclaimed any knowledge in regard to it, and Mr. Walker also. Mr. Walker stated that it must have been through some inadvertence of his brother, Judge Walker,—some misunderstanding; but I believe that it was admitted on all hands that it was objectionable under the circumstances, and that it ought not to have been.

Q. Was there any objection to either of the counsel employed by the Regents on account of any previous relations to either of the defendants in that suit?

A. You are referring now to Gov. Felch and C. I. Walker?

Q. Yes.

A. I think not. I don't remember of any such objection having been raised.

By Mr. Kelley:

Q. Was there a resolution proposed at that meeting of the Board that no counsel should be employed by the Regents who had participated on either side of any litigation between Douglas, Rose, and Beal?

A. Which meeting do you refer to?

Q. At the last meeting of the Board that you spoke of.

A. Yes, sir. I think I made the suggestion that some one who had been entirely disconnected with the case and with the parties should be employed. I don't know but others did, too.

Q. Has either of the counsel that has been employed by the Board of Regents, been employed by any of the parties that I have named?

A. I don't know as they have. I never have heard Mr. Walker's name being connected with either. I have had an impression that in some way Gov. Felch had been retained at some stage of some proceedings growing out of this matter.

Q. That is your impression?

A. Yes, sir; I know nothing about it.

Q. Where did you receive that impression?

A. I think I must have got it from newspapers published here.

Q. Don't know it for a fact?

A. No, sir; I don't know anything about it. That matter has not been raised.

JOSEPH ESTABROOK SWORN.—DIRECT EXAMINATION.

By Mr. Taylor:

Q. How long have you been a Regent of the University?

A. Since 1870.

Q. You are acquainted with the different departments of the University?

A. Somewhat, sir.

Q. You have heard somewhat of the irregularity existing there?

A. I have, sir.

Q. When was that first brought to your notice?

A. It was in the fall of 1875: a year ago last fall was the first I heard of it.

Q. Who first informed you?

A. I first saw it in the papers, I believe.

Q. Officially?

A. I think I was not informed officially until the meeting of the Board of Regents. A meeting of the Board was called, and the first information I had,

I think, was in connection with the meeting of the Board. I have no recollection of anything before.

Q. That was after the executive committee had been here?

A. Yes.

Q. What action did the Board of Regents take at that time?

A. It appointed a committee to investigate the matter.

Q. What committee?

A. I think it was called a committee of investigation into the laboratory accounts, of which Mr. Climie was chairman. Climie, Rynd, and S. S. Walker, I think, were the committee.

Q. At this meeting did not that first committee, the committee composed of Gilbert, McGowan, and Walker, report?

A. Well, yes; there was a committee that made a report. There was a previous committee. I am not sure, but I think it was the Executive Committee. It was the Executive Committee I think that made that report; that is my impression.

Q. It was at this time that Mr. Rose was suspended from his position at the University?

A. Yes, sir.

Q. Were you present at any other investigation or meeting of the Board of Regents when any other committees reported?

A. I was present when the second committee reported, of which I myself was a member.

Q. You were not a member of the original investigating committee?

A. Not the committee of which Mr. Climie was a member,—the original investigating committee.

Q. Did you examine these records?

A. I did somewhat, as far as I had opportunity. Do you mean—

Q. The books, papers, and vouchers and stubs connected with the laboratory.

A. I looked them over,—not enough, however, to determine results in detail. I examined more especially the results of the other investigations that had been made by the accountant that was employed, Mr. Tregaskis, and the results of other committees of investigation.

Q. When and by whom was that meeting appointed,—that June meeting of the Board of Regents to which your committee reported?

A. Do you ask when the Board of Regents were appointed at which our report was made?

Q. Why was the meeting held in June,—at that time of year?

A. It was held to receive the report of the committee that had been appointed,—the new committee that had been appointed to continue the investigation that had not been completed.

Q. The Board of Regents at that time met to hear this report?

A. Yes.

Q. Were there any protests or objections made by any regents to carrying on that investigation in that way?

A. Do you mean carrying on the investigation of the committee?

Q. By the committee.

A. I heard of none, sir; any Board of Regents or any member of the Board.

Q. Did you receive any telegrams or letters from Gen. Cutcheon?

A. I did, sir. I remember he protested against the proceedings, or against

giving a report. I don't remember; it is a little vague in my mind now. I have the letter. I don't know but I have it now among my papers.

Q. Tell us what conclusions you arrived at, and how you came to those conclusions, in regard to the defalcations in the University?

A. Well, the results of our investigation were all given in our report. I may not have in mind all the details that were then before my mind, that influenced my judgment in signing and in making that report. We ascertained that a certain amount of money was withheld from the University that belonged there; we discovered that. We were satisfied,—upon which we all agreed,—that the money first came into the hands of Dr. Rose. There was a portion of it that from the records we were led to believe went into Dr. Douglas' hands. There was another portion of it which we could not trace into his hands, and our conclusion was that it must still be in Dr. Rose's hands, from the evidence we had before us. We could not ascertain how the money had been traced to Dr. Rose or Dr. Douglas.

Q. Was Dr. Rose present at this investigation?

A. No, sir; he was not. He was present when the Board of Regents met. We invited him to come,—sent a written notice, or served it on him, to come, as I understood it, but he did not come.

Q. He was present, however, at the meeting of the Board of Regents?

A. Yes, sir; but I think he was not before any investigating committee.

Q. Did you in that investigation make a thorough investigation of all the matters in connection with this defalcation?

A. All that we had any means to do. We examined all the documents we had within our reach. We did not examine any that we had not.

Q. You had employed an expert to go through the accounts?

A. Yes, sir.

Q. Had not one or more of the Regents investigated those accounts?

A. Yes, sir; three of them, I think.

Q. What three?

A. The former committee. Mr. Climie was the chairman of that committee. We took the results of their examination very largely. Mr. Tregaskis had prepared the accounts. We took the accounts as he prepared them, and compared them with stubs, vouchers, etc.

Q. Was Mr. Climie's testimony taken in that investigation with regard to what he knew about those books and accounts?

A. It was.

Q. Certain of that fact?

A. In regard to that,—his testimony was taken in regard to something,—I don't remember the points. He was before the committee and gave testimony. He gave some testimony with regard to some matters pertaining to the laboratory accounts, to purchases. I am not certain that he did make any statements in regard to the accounts themselves. Everything he said is on record,—on file, I think.

By Mr. Kelley:

Q. Did you make such personal examination of the accounts and the mode of settlement between Dr. Rose and Dr. Douglas that led you to endorse the report of the Grant, McGowan, and Walker committee?

A. I did, sir.

Q. State from your own examination whether you are satisfied that that report was substantially correct?

A. Yes, sir; that and from the papers that we had before us.

Q. Were you present at all the meetings of that committee?

A. Not all, but I reviewed the work that had been done in my absence, pretty thoroughly.

Q. Then you did not really found your conclusions upon the investigations of any other person?

A. I did not, sir. We went through with the accounts together, with the accountant present.

By Mr. Taylor:

Q. You are acquainted with the manner of doing business in the laboratory, or the way it was done at that time?

A. I made myself acquainted with it at the time of this investigation.

Q. That was the first time you knew of their manner of transacting business?

A. The first committee explained at the time the first report, of which Mr. Gilbert was chairman. I gave a little attention to it, but not enough to become so well acquainted with it as I afterwards did.

Q. In your investigation of this deficit in the University, did you find any part of the deficiency in the hands of Dr. Douglas?

A. We did, sir; as far as we could judge.

Q. You found a part of it in the hands of Dr. Rose?

A. Yes, sir.

Q. Then can you tell me why, after you found part of the deficit in the hands of Dr. Douglas and part in the hands of Dr. Rose, you did not expel one as well as the other?

A. In the course of the investigation it seemed to us, seemed to me at least, that in the one case there was an intentional withholding of money, and in the other there was not an intention. It seemed to me that the money that was in Dr. Douglas' hands—his knowledge of it was dependent upon the reports that Dr. Rose would make to him. The different kinds of accounts that were left there would leave a certain amount in his hands, and he would depend upon something else to know how much there was due. Certain amounts of money were received from students and marked in a certain way. I presume that has all been fully brought out.

Q. Did Dr. Douglas report any money as received from Dr. Rose, not covered by certificates?

A. I could not say as to that point. I don't recollect. I was not a member of the executive committee, and I did not examine it.

Q. Were there any reasons for coming to the conclusion you did in your report, except those given in your report at the time?

A. I have not definitely in my mind now just what the reasons were in the report. I would have to refresh my memory. It is several months since it was done, and I have had a good many things in my head since, and I cannot call up the details. It is not fresh in my mind.

Q. It seems to me in making a report upon as grave a subject as that you could give your reasons?

A. The main reasons are stated in the reports. It was discussed fully. Douglas presented to us all the evidence we asked for, and he came before us and subjected himself to an examination and cross-examination, and furnished us all the evidence that we wanted,—that is, that we had known anything about,—furnished us all the evidence that money was in his hands. He did not deny it to us.

Q. Did you take any part in the examination of the witnesses in that examination?

A. I was present at the examination of the witnesses. I occasionally asked some questions,—only a very few questions. They were asked by lawyers mostly.

Q. When Mr. Climie was upon the stand did you make any examination of his knowledge of the books?

A. I don't remember that I did. I could not say that I did not.

Q. Do you remember of any one in that investigation asking any questions, in regard to those books, of Regent Climie?

A. I do not, sir.

Q. Before your committee made your report, did not Dr. Rose appear before you and ask to be allowed to put in his case?

A. He met with the Board of Regents; he did not appear before the committee; he refused to come before the committee. That is the way it was: he came before the Board of Regents when they met.

Q. Did not Rose and his friends appear before the committee, requesting to be heard, just before you made your report?

A. I don't remember it, sir. I remember his appearing before the Board of Regents after the Regents met, and bringing in his papers. I don't remember his proposition to appear before the committee. My remembrance is that he refused to come before the committee at all. Several propositions were made, but I have no remembrance of his coming before the committee as a committee; indeed, my remembrance is just the other way. There may be something that will remind me of it if it should be suggested. But my remembrance of it now is quite distinct that he refused to come before the committee in this investigation, and the reasons were stated by his attorney very emphatically. They had several propositions which were made. That is the way I understand it.

Q. Why did you not ascertain whether there was any loss to the University from '56 to '64?

A. We took the papers up where they were left by the committee that had preceded us. We did not go back beyond the investigation. We thought that would cover the entire ground at the time Dr. Rose was connected with the University and more, I believe. I don't remember the exact time. I suppose that was the reason. I was not a member of the original committee, and was not in their council: only heard their report.

Q. Did not Dr. Rose appear before the full Board and offer to put in his proof?

A. He did, sir, at our meeting.

Q. Why did you refuse to hear him?

A. The only reason why I refused was because I could not stay any longer. It was pressing right on to our commencement. I staid a week or two longer than I knew how to stay, and could not stay any longer, and I was obliged to leave towards the close of the meeting, as it was. I proposed afterwards to come and spend the whole vacation of ten weeks if they would only put it off until after vacation. I would have been willing to have come and spent the ten weeks if it were necessary.

Q. You made that proposition to the Regents?

A. I made such a statement as that. It was not placed in form of a proposition. I said I would be willing to come and stay any length of time after commencement day. I could not stay then; because my work called me away.

Q. Do you remember any reasons why Gen. Cutcheon thought it ought to be postponed?

A. I can't call up the points that he made in his letter. I have got the letter. My impression is, he thought the case ought not to be decided by a committee,—that it ought to be decided before a court.

Q. Did he state something in regard to so grave a matter as that ought to come before a full Board of Regents?

A. He said something of that kind. I think that is the point of his objection. I would not say positively, because I have not looked at the points in the letter since that time.

Q. Do you intend to alter, or withdraw, or qualify any statement or conclusions contained in the report of June 19th, '76, which is signed by yourself and Regents McGowan and Grant?

A. I do not, unless I have new facts that I have not seen before. With the facts that we had before I do not, sir.

Q. Are the sole grounds on which the committee charged Dr. Douglas with part of the funds in question stated in the reports of June 19th, 1876?

A. As I remember it, they are.

JAMES B. ANGELL SWORN.—DIRECT EXAMINATION.

[This testimony of President Angell, was given before that of any of the other witnesses, and should have been printed first in this book. It is alluded to but once, however, in the foregoing testimony, namely, by Mr. Walker, page 29.]

By Mr. Taylor:

Q. Dr. Angell, what office do you hold in the University of the State of Michigan?

A. President

Q. How long have you been President of the University?

A. Since 1871.

Q. When you came to the University who was in charge of the Laboratory?

A. Dr. Douglas. He was the Director; so I understood.

Q. What were his duties as Director of the Laboratory?

A. I suppose he had general charge of all the institution,—supervision of the business of the Laboratory. I made no special investigation of that matter. That is what I understood to be the duties of that office.

Q. Did he have any assistants?

A. Yes, sir, there were several,—Dr. Prescott and Dr. Rose, and had several other subordinate assistants.

Q. What were the duties of Dr. Prescott in that department?

A. He gave instruction in elementary chemistry.

Q. What were the duties of Dr. Rose?

A. I am not certain, sir, from the record at that time. He had charge of the books, and I suppose gave some instruction at that time.

Q. This was at the time you came to the University?

A. The time I came I know that he was the book-keeper, and gave some instruction, I so understood.

Q. Have you heard of any deficiencies or irregularities in that department?

A. Yes, sir.

Q. Well, state to the committee when they first came to your notice.

A. It was in October, 1875; I think the 19th day; I may be in error as to the precise day.

Q. Who first brought these errors to your notice?

A. Dr. Douglas.

Q. You have examined this affair?

A. Yes, sir.

Q. Well, go on and state all that you know about it.

A. It's a long story—

Q. Well that is just what we want,—the facts in this case from the beginning.

A. In so long a story I may have to omit some incidents that will afterwards be recalled to my mind. Dr. Douglas came to me one day in October, I think the 19th, saying that in making up his annual account for the Regents the two evenings previous—just before that, at all events—he had discovered four certificates—

Q. Just explain what you mean by those certificates.

A. These four certificates were missing. To explain that I would have to refer you to the books. [While the books were being collected the witness continued.] I will go on with the narrative and return to that, if you wish me to.

Q. Yes, sir.

A. He told me that he went to the laboratory of Dr. Rose to call his attention to the fact that four of those certificates were missing of students who had been in the laboratory, and whose certificates should have been there if the accounts were correctly kept; and that Dr. Rose, on this being presented to him, said that those certificates ought to be there. There was something in Dr. Rose's manner that awakened suspicion in Dr. Douglas' mind that there was something wrong; so that he went to Dr. Prescott and told him what had happened, and asked him to come to his house and examine the accounts with him that night. He did not wish to go over them alone. He wanted another person with him, and said that Dr. Prescott did go, and that in their joint examination they found a number of certificates missing.

Q. Remember the number?

A. I do not recollect that the number was stated to me.—This confirmed Dr. Douglas in his suspicion that something was wrong, and therefore he came to me.

[A book being handed the witness he continued.]

I can explain this now, or later,—just as you choose. These were the certificates referred to which Dr. Rose said were missing. Under their system of keeping books,—which all, I believe, are agreed upon, from their description of it,—when a student came and entered the laboratory he took a table, and made a \$10 deposit, which, I believe, was entered upon this stub. Supposing this to be the certificate which was cut from that stub, a \$10 deposit was entered there. It was entered upon this certificate that the student had paid \$10, and he takes this receipt. At the same time Dr. Rose at his early convenience enters it upon here to the credit of the young man, which shows that he has paid him \$10 [showing on the book a debit account]. Suppose the student does not exhaust the \$10, but comes to settle his bill, of course a debit is put in here on this ledger account. When he comes back to settle the account the total debit is put on the back of this paper. That includes the \$10 deposit and whatever else he may be in debt for. [Witness read the certificate, as follows:]

“No. Un. of Mich. Chem. Lab., 187....

“Please to take notice that your deposit for chemicals and apparatus has been

exhausted, and according to the rules of the laboratory, you are required without delay to deposit an additional ten dollars. This notice countersigned by the assistant professor in time, will be your receipt for the same.

“----- Asst. Prof.

“Countersigned-----

“To-----Tab. No.-----”

That the student signs and leaves with Dr. Rose. That should, of course, agree with the ledger account as to the whole transaction.

Q. Was that [handing witness a paper] one of the certificates? Is that a sample of one of the certificates?

A. That is a sample of one of the certificates. There are two distinct modes of settling these accounts. The mode of settling the student's final account, as I understand,—Dr. Douglas was in the habit of giving in these deposit accounts,—Dr. Rose would turn over the deposit money to Dr. Douglas, and Dr. Douglas would put his initial D on there, generally, sometimes his name, as the receipt for that. That was a receipt from Douglas to Rose for the \$10 deposit. When Dr. Douglas put that on there, that was a receipt, so far, for the settlement of the deposit money; but the subsequent payments were settled in a different way. These certificates, which were settled by the student, Dr. Rose took up and held. This showed the amount of money he ought to pay over to Douglas. When he turned this over to Douglas, then, by their agreement, Douglas, in his presence generally, as I understand, drew these diagonal one or two red lines across the stubs, and that was the only receipt that Rose had from Douglas that this had been turned over to him. Consequently, where you find the red line on the stub and the D, it should signify that the \$10 had been turned over to Douglas, and that this certificate was turned over with the money which it bears upon it, less the deposit money.

Now, it is clear from this statement that Douglas would only receive money which these certificates bear on the back of them; and when he came to settle with the finance committee of the Regents, he was held for those amounts only. That was the road by which the money went from the students to the University,—all going first into Rose's hands; none received by Douglas save through Rose's hands, and being accounted for by Douglas to Rose by these two marks: First, the initial D, and then the red line.

Now, I think I have made it clear that if any of these certificates had been given to Douglas, he did not receive the money that was due on them, and was not, therefore, prepared to turn it over to the University, and so much money would be lacking. He knew that some of these students had been in the laboratory, and these certificates not appearing, the inference was that all the money due from students had not been turned over to him.

Q. Well, after you were informed of this deficit in the laboratory accounts, what measures did you take, if any, to bring to light the irregularity in the trouble? Did you notify the Regents?

A. Well, one fact, to go on with my story: I went that evening myself to Dr. Douglas' and spent about a couple of hours, in going over that year, in inspecting the books to see what in my judgment was the fact. I came to the conclusion that there were serious irregularities. I concluded to summon the executive committee and the chairman of the finance committee of the Regents to examine into the matter; and did so. Mr. Gilbert, chairman of the finance committee, was unable to come. Messrs. McGowan and E. C. Walker did come, and also examined the books at Dr. Douglas' house on the evening of

their arrival. As to Dr. Douglas' transaction with Dr. Rose in securing the payment at that time, he had better testify as to that, as I have it only second-hand. He presented those certificates from time to time, and upon that made a settlement; but I am willing to answer any question that—

Q. Did you advise in regard to any mode of arriving at a settlement or an investigation of this matter?

A. Cannot say that I advised further than this: Dr. Douglas and I naturally talked quite at length about the matter; I advised, or assented to, a proposition that he present this to Dr. Rose and see what he had to say about it.

Q. Whose proposition was this?

A. I should think Dr. Douglas suggested that himself, and I assented to it. It was understood by me certainly, and I assented to the arrangement that he present this to Dr. Rose, who should make any explanation he desired. It was presented, and he instantly reported to me the result of the interview.

Q. Was this after the Regents had met?

A. This was running on for some days before the report had got here.

Q. Did you have any interview with Dr. Rose in the meantime?

A. I did not,—not at this time. I thought it was a matter strictly between these two gentlemen at this stage of the proceeding. It was regarded rather as an inadvertence, and there was a delicacy about the matter, and I thought I would abstain.

Q. What did you do with the Regents?

A. The Regents finally came, examined the books, and came to the conclusion that there was some irregularity concerning the procedure. I think prior to their coming Dr. Rose had made an adjustment with Dr. Douglas as to the alleged deficiencies of that year, 1874-5, according to Dr. Douglas' instruction and the appearance of the books. There was some \$600 that had not been turned over, which Dr. Rose paid to Dr. Douglas, saying these had been omitted, and should have been paid in. These are recorded in the book which you have in the chest there, and in Dr. Rose' handwriting,—the red book, marked "A." These [pointing in the book] are the four names first missing, which Dr. Douglas discovered, namely, Little, Pantlind, Thomas, and Hubbard, for which he, Rose, at once gave him a due-bill. Afterwards other certificates were presented. This is second-hand evidence, which I had from Prof. Douglas. These lists are Dr. Rose's handwriting. This is a book from which he undertook to make up, as I am told, a list of vouchers which should have been turned over for that year; and you will see upon them there was a certain sum due, which Dr. Douglas paid over to Dr. Rose, as I was informed, from day to day. The Regents were apprised of these facts when they came, and upon the strength of that showing Regents McGowan and Walker summoned Dr. Rose to their presence. I was not at that meeting.

Q. This was the first time that Dr. Rose knew this irregularity was known to any one besides Dr. Douglas?

A. I exchanged no notes with him, did not communicate with him. Perhaps Dr. Prescott did, but I had — the Regents, of course, can testify. Messrs. Walker and McGowan are here and can testify. I was not present.

Q. Well, President, describe any personal investigation of these accounts which you may have had.

A. This committee—Messrs. McGowan and Walker being here, having spent one evening and one day, found that they could not remain to inspect any further. I should say that prior to their arrival I had told Dr. Douglas to

look further back than this year, and with him I had gone over the books previous to that, and found the same sort of irregularities for that year, 1873-4. It was therefore very clear that a further examination of the books was needed. Messrs. McGowan and Walker said they could not remain to examine further at that time. They called the same day at the Laboratory and stated to me this fact. Whether Mr. Bennett was present or not I do not know. They said to me, "We cannot stay here to look over this matter, but some of you must go on and look over these books, and let us know the result."

Q. Did you ever make such an examination yourself?

A. Yes, sir; with Mr. Bennet and Drs. Douglas and Rose.

Q. Was this understood to be a committee?

A. I understood there was to be nothing formal in the matter. Nobody thought of any such proportions as this enterprise has taken on since, and there was no formality about it. They said, "If Dr. Rose can render you any help in any difficulty contained in the books, it may be necessary to get him as an expert." I understood myself that Mr. McGowan or Mr. Bennett was to notify Dr. Rose of this affair. I therefore did not notify him myself that he was to be asked to render assistance. I presumed he was notified and was to be there, and we therefore set about the work. Dr. Rose, as it proved, did not get his notice as promptly as I had supposed he did. I supposed he was to be notified properly.

Q. And he did not commence the work until some time after you did?

A. Not until a few days after. It was agreed, perhaps at my suggestion, certainly by Dr. Douglas, Bennett, and myself, that the books ought not to go out of the office, and that no one person alone should have access to them; and so far as I know, during this examination that I speak of, that rule was never transgressed. It was found from the nature of the case, very soon, that not more than two experts could well work at once conveniently. I had got some experience by that time, and the plan we took was this (we worked evenings for the most part): the object, of course, to find what certificates were missing. These ledgers [pointing in a book] were not arranged alphabetically. It was my plan to sit down and take the ledger accounts. For the most part Douglas went through the book and called off, etc. I stayed where I could see that his calling was correct, and wherever letter A, B, C, etc., occurred we would check them off as transcribed. We went through and made a complete alphabetical list. Then we took these certificates and packages, and ran them down to see if they corresponded. Therefore, when we had got through with one of these years, we had it all easily before us. We then took this book and called off the missing ones and made a transcription upon one sheet, so there was no irregularity about it. I drew off upon a sheet of paper those which were missing. The missing ones which would seem to need explanation were drawn off, and that transcription was sent to Drs. Rose and Douglas for correction; and the next day we sat down and made an examination of those missing or irregular accounts.

By Mr. Hinchman:

Q. Were there any others present?

A. Dr. Bennett was, and—[a package of papers being handed the witness he proceeded]—that will illustrate what I mean. I drew off the accounts according to this index, turned them over to Drs. Rose and Douglas, who the next day sat down with the ledgers and the books, went through, and made what emen-

dations they chose, and they are in Dr. Rose's hand-writing. He and Dr. Douglas sat down and worked together hour after hour, and day after day, in my office and Dr. Bennett's, in looking over these accounts. They spent days and weeks in the work, the papers never going out of the office.

That was the nature of that examination; and when they finished the inspection of one of those papers, we assumed that that was correct. That examination went on, and Dr. Rose continued his work there until the fact, or some statement of the matter, was published in the newspapers. He continued to work, or remain in the office, for a few days after that, but finally ceased to come, saying that he declined to work any further with this committee. It was on the basis of these papers that the report of that first "committee" was made up,—that is, the "committee" consisting of Regents Gilbert, McGowan, and Walker,—the first report which was printed, and based upon the inspection made in this manner.

By Mr. Taylor:

Q. Before Dr. Rose left here had there been any unpleasantness between you and him?

A. Not the slightest,—at least on my part. We worked together like a band of brothers. Nor was there any unkind word between Dr. Rose and Dr. Douglas, or anybody else, I believe, until this statement was made.

Q. Had you any idea how that statement came to be made public?

A. No, sir; I have no direct authority. The day prior to the meeting of the Regents, Messrs. Walker, McGowan, and Gilbert came together, Messrs. Walker and Gilbert being alone able to give chief attention to work of the Regents. We did not regard ourselves as a committee. We simply said to them, we had been through through those books, as well as we could for the time allotted to us, and find such and such irregularities in the books, but made no regular report to the committee. Regents Gilbert and Walker went over all the accounts after us, one by one,—Mr. Walker particularly, I remember,—and made their report, which is in print, in the December report of the Regents. And upon that report Dr. Rose was suspended from his duty.

Q. Your committee made no recommendation whatever?

A. No, sir. We did not regard ourselves as a committee. We concluded to look over the books in that informal way, but made no regular report.

The Regents at that time raised another committee, composed of Messrs. Climie, Rynd, and S. S. Walker, and that committee made a majority and a minority report at the next meeting. Dr. Rose was reinstated in his duties; and also the Board at that meeting voted to ask the finance committee to pursue the investigation, and decide in whose hands the deficiency rested.

Q. Let me ask you right here, Dr. Angell,—had this second committee arrived at any different conclusion?

A. That you will find from their reports. They did not undertake to determine who was responsible, or who ought to bear the blame. What was understood to be the scope of their report was to find what was lacking, and thereupon the finance committee was instructed to continue the examination to find in whose hands the funds were. That committee were Messrs. McGowan, Grant, and Estabrook, who met here in the early days of June and carried on an investigation, which resulted in the third report,—which you have here. I would say that in this third examination Dr. Rose and Dr. Douglas and myself were there. Dr. Rose had access to every book and paper which anybody had.

That was my instruction, the idea being that what we wanted to get at was the truth and any light that could be thrown upon it.

Q. Did he ever attempt to explain those irregularities?

A. Oh, yes, certainly he did. As I understood, that [pointing to a paper] was meant to be his statement.

Q. Have you any means of knowing how much the deficit in the laboratory accounts was?

A. Nothing more than in the reports of the committees.

Q. You did not arrive at any definite conclusion in your report?

A. Not in that first report, but no doubt the third report was more exact than ours. We worked until midnight several weeks.

By Mr. McArthur:

Q. I would like to inquire who had the custody of the stub-book, or receipt book.

Witness.—You mean in the ordinary course of business, after the certificates were torn out?

Mr. McArthur—No, sir; in the report of Dr. Rose and Dr. Douglas after the accounts were missing.

A. The stub-books, when the Regents came, were all transferred to the custody of the steward, and were kept in the vault. It was immediately after that, I remember. No one person was allowed to have access to them alone, and they were never allowed to go out of the steward's room. That was the direction, at all events.

By Mr. Mills:

Q. Did any parties, Dr. Angell, who were supposed to be inculpated, make any acknowledgments; and if so, what, in your presence?

A. I do not know of any acknowledgments save such as were implied in those papers which Dr. Rose signed. I did get the impression from those papers, from the light that was then before me, that that was substantially an acknowledgment of the sum due from him, especially the statement for 1873-4. Here is a statement drawn in his own handwriting, which, at the request of Dr. Douglas and myself, he signed, as follows, [which was read as follows:] "I hereby certify that the above accounts, so far as I know, are all correct, according to the examination of the books.—P. B. ROSE. Ann Arbor, Mich., Nov. 13, 1875." I understood him, as he left the papers one after another, to leave them regular as the statements for each year. He signed that statement in order to save reopening the question about each year, as it was ended. We asked him if he would say here, in his own handwriting, if he regarded that as a correct statement. He was reluctant to say at first, but finally he assented, and wrote the following: "I hereby certify these statements are correct according to the examination of the books." It is proper to state, however, that there was an additional sentence. [Witness read it as follows:] "See supplementary statement of this date.—P. B. ROSE. Dec. 7, 1875." That paper in particular led me to think it was a *quasi* acknowledgment.

Q. Let me inquire, Doctor, what reason did Dr. Rose give for his reluctance, if anything?

A. I do not remember that he gave any particular reason. As to the supplementary statement, if the committee would like to hear what I have to say about that—

Q. At what time was that reference made in the supplementary statement?

A. December seventh. The first was—

Q. About what time intervened between the writing of the certificate appended there, and that entry referring to the supplemental statement?

A. From November 18, to December 7. After this affair became public Dr. Rose was in the office having access to all these papers. He had this paper in his hand, and asked permission to indorse something on it. I told him that I regarded that as an important historical paper; and as I desired to keep all those papers in their integrity, I objected to his indorsing anything upon it; but if he wished to make a supplemental statement, and file it with it, I would put it with it. He was a good deal agitated, took the paper in his hand, and I thought was going to carry it off. He then thrust it in his pocket and said he would take it.

By Mr. Taylor :

Q. What signs did he show of agitation?

A. I thought he was going to tear the paper in two.

By Mr. Mills :

Q. Did he state then and there any reason for doing so?

A. No, sir. I told him that he was proceeding very unwisely, and that I should have to report such conduct to the committee; and I left the room and went into my own office. I did not care to have any controversy on the matter. In a few moments the steward came in, and the doctor said he wished to see me. He said he did not cherish any ill-feeling against me; and just before the Regents met he brought a paper which I supposed was the supplementary statement, but it was not.

Q. Do you know of the existence of any paper that could properly be regarded as supplemental to that?

A. Nothing except that which he put into my hands; but it has no reference to anything in that paper. It was simply that he would not acknowledge the power of the committee.

By Mr. Taylor :

Q. The paper is not on file?

A. Yes; it is printed in the proceedings. The paper says he would acknowledge as trustee, etc., but has no reference to these proceedings.

By Mr. McArthur :

Q. Was that footing [pointing to a number in a book] made by Dr. Rose?

A. I cannot tell. Those lines at the bottom there are Mr. Gilbert's writing

CROSS-EXAMINATION.

By Mr. Taylor :

Q. What evidence did Dr. Douglas give Rose that he, Rose, paid the deposit to Douglas?

A. Signed the D on the stub.

Q. What evidence did Douglas give Rose that the certificates and money had been turned over to Douglas?

A. Red lines were drawn on the stub in the presence of the two,—sometimes by one, sometimes by the other.

Q. If Douglas had received the certificates and money, and had not turned the certificates over to the Regents, what would the result be?

A. That he would not have been held to the Regents for the full amount of money due, because he accounted to the Regents for the money he had received from Rose on those certificates. See?

Q. [Last one repeated.]

A. The result would be that he would not be held by the Regents for the receipt of money on the certificates. He settled with the Regents on the certificates as he settled with Rose on the certificates. Don't I make myself clear? Rose paid over to Douglas the money borne on the certificate, and Douglas turned over to the Regents the certificates, and was held liable for the amount of money borne on them, so that if he didn't turn them all over he would not be held for the full amount borne on them.

Q. Then there might be such a thing as Douglas' receiving these missing certificates and the money turned over to him, and his not giving them to the Regents?

A. Unquestionably. The road was very simple,—the money went through two hands only. If Rose did not turn it over to Douglas, the money would not go to Douglas; and if Douglas did not turn it over, it would not go to the Regents.

Q. What do you know of this matter from your own knowledge? Did you not receive your information from Douglas?

A. A large part of my knowledge was derived from the books. I derived my first information that the books needed looking into from Douglas; but having worked six weeks on the books, I think I ought to know something from them.

Q. Was there any secrecy?

A. Not at that time; not until the Regents had met,—perhaps a fortnight after.

Q. Ho do you know that Rose gave a due-bill for Little, Pantlind, Hubbard, and Thomas?

A. I saw it. Dr. Douglas showed it to me.

Q. In Dr. Rose's hand-writing?

A. Yes, sir.

Q. How do you know that Rose had not already turned over all the vouchers for which he (Rose) afterward settled again with Douglas?

A. I can only know negatively. They have not been presented.

Q. Did you tell Douglas it was necessary to go over the books further, or did Douglas so advise you?

A. I think I told him.

Q. After your investigation of this first year,—1874-5?

A. Yes, sir.

Q. Who were the other members of the committee besides yourself?

A. Mr. Bennett, Dr. Douglas, Dr. Rose, and Mr. Knight.

Q. Was Dr. Rose suggested as a member of the committee?

A. There was no committee formally appointed. We were simply asked to go over the books, and ask Rose to come over and help us.

Q. You never requested Dr. Rose?

A. I never did, because I understood that Mr. McGowan would do that. I supposed that Mr. McGowan or Mr. Bennett, one or both of them, did.

Q. Have you any knowledge that he did?

A. I do not. Dr. Rose was to have the same access to the books that any of the rest of us were.

Q. Were these books ever out of the Steward's hands?

A. Never.

Q. Were they ever at Douglas' house?

A. Not to my knowledge.

Q. Not after this meeting of the Regents?

A. No, sir.

By Mr. Mills:

Q. Had they ever been at Douglas' house *before* that time?

A. Not except at that night when Dr. Douglas took them over, and he and Dr. Prescott examined them. They remained until the next night, when he and I made the examination. That was the ledger for 1874-5.

Q. During the day until the next evening?

A. Yes, sir.

By Mr. Taylor:

Q. The only object of the labor of the committee of which you were a member was to learn what certificates were missing, was it not?

A. That was the labor that was assigned to us; but it never occurred to any of us that it was necessary to examine for missing stubs; and therefore so long as he consented to work with us he, Rose, never examined for missing stubs; but after he had declined to meet with us, before the Regents' meeting—I asked Dr. Rose about that before the Regents' meeting, one day when he was in my office, what about the missing stubs, who was responsible for them? and he he said of course he was; and I said; "Then, are you aware that there are any missing?" He said, No; that he had not found any missing. I then said, "You looked for them, did you?" He said "Yes." So long as he was at work with us that question never occurred to us; and therefore, to answer that question with fullness, that statement should be made.

Q. Were the exhibits signed by Dr. Rose, to which you have called attention, only for the purpose of showing what accounts were missing?

Witness,—By whom? him?

Reply,—Yes.

A. I do not know what his purpose was. When the doctor corrected them, and especially when he had signed his name to one as correct, I inferred, possibly wrongly, that these were acknowledgments by him. I confess that that impression was left upon me at that time.

Q. Would not the same accounts have been missing if either Rose failed to turn them over to Douglas, or Douglas to the Regents?

A. Certainly, excepting the missing stubs. They were wholly in Rose's custody.

Q. Up to this time you had failed to find any missing stubs?

A. No; we had not searched for any missing stubs.

Q. You say that you, Douglas, and Knight did not consider yourselves a committee. Do not the reports of the Regents and of the committee show that you were appointed?

A. Well, I can only say about that, as I stated, we performed the duties assigned us—

Q. It was the understanding of the Regents that you were a committee?

A. I do not know. Doubtless they speak of us as a committee in their report.

Q. What office did Regent Gilbert hold?

A. Chairman of the finance committee. I wish to repeat that so far as I am concerned, I never considered that we were a committee; we never elected any chairman; never had any secretary; we kept no record. We did not organize as a committee. Perhaps we misapprehended our duties, but that is the fact.

Q. Did the Climie-Rynd committee go any further back than the date that Rose entered the Laboratory?

A. I think they did,—two years back of that. That is my impression. I cannot tell without looking at their report.

Q. Do you remember of finding any deficit before that?

A. Not definitely. I think some one found a five dollar deficit prior to that,—I think a very slight deficit, however.

Q. In the course of business between Douglas and Rose, after you understood it, if Rose received money which was not represented by a voucher signed by the student, would such money ever reach Douglas?

A. No, sir.

Q. Do you mean that you found stubs missing, and that you found the account in the ledger for which there were no stubs?

A. Where a man makes a deposit of \$10, he makes an entry upon the ledger, unless that stub is there that money never goes to Douglas, and never to the treasurer. Now, we found in the course of our investigation that there were a number of payments of \$10 in deposits standing on the ledger, showing that that money had been received by Rose; and yet we found no corresponding stub here on which we should account for it to Douglas, and of course, the stub being missing, the certificate was also found missing. You will find that in all those accounts where missing stubs appear, the deposits stand on the ledger. The ledger is assumed to be correct in all these accounts, and all this ledger is in Dr. Rose's handwriting; and where a stub is said to be missing, it means that the \$10 does not appear there, and consequently never turned over to Douglas.

Q. What disposition was it Dr. Douglas' duty to make of the money received?

A. Dr. Douglas settled all with the Regents. It was understood that he held money in his hand, and that if the laboratory needed money he advanced it; and, as a matter of fact, I was told the University was generally in debt to Dr. Douglas.

Q. Would not the deficit be the same if Rose or Douglas failed to account?

A. No; not exactly. If Rose fails to account for the stubs, Douglas would never have got it.

Q. If they failed to account for the money which was in their hands, the University would lose it?

A. Of course, that is so.

Q. Was it not true that when Mr. Tregaskis was examining the books long after the time you mentioned, he frequently had to send for Douglas and request him to bring back the books, and did not Douglas comply and return certain of the books?

A. I have no recollection. It may have been, without my knowledge.

Q. You do not remember?

A. I do not. It should be said the books are in the custody of the steward rather than myself. I don't—

Q. Are you certain that it is true that there are stubs missing?

A. I believe so. At least we do not find them. There may be stub books that I have never seen. That is negative, of course.

Q. To be a "missing stub" is not necessary that there should have been at some time a stub which afterwards was found to be missing?

A. No; I think not. I take it, if on the ledger there is a credit as a deposit receipt—[witness here opened a book and explained.]

Q. When you talk of "missing stubs" do you mean accounts that never had a stub?

A. Yes, sir; for which no cash appears to have been issued.

By Mr. Mills:

Q. Did you observe any instance of a stub having been torn out?

A. No, sir. The books were numbered and not mutilated, so far as we ever discerned.

By Mr. Newcomb:

Q. I would inquire of the President if he ever held any communication with those students in regard to the credit?

A. I have held communication with only five students at the close of last year. They were reported as not having paid their bills, and I dropped a note to them in order to have them close up accounts. Two of them sent me a letter saying that they held Dr. Rose's certificate. Three of them had not paid.

Q. Those two are credited on the ledger?

A. I do not remember, but remember the names of the students.

By Mr. Mills:

Q. Is there anything special in the cases of those who have not paid?

A. I cannot tell. I can look them up.

Mr. Taylor.—Please do so and report the result.

By Mr. Taylor:

Q. Would such money reach Douglas if Rose had paid it to him, even though Douglas never paid it over to the Regents? If so, how do you know that fact?

A. Only from the fact that under that system he would not pay the money unless the books asked for it.

Q. You say you find deposits on the book with no stub; will you please give the name of one such account?

A. I cannot say, without looking it up.

Q. Did not Douglas hold both book and money sometimes nearly a year before he turned it over to the Regents?

A. He might, under the system.

Q. Did you ever ask Rose whether there were any accounts without stubs, or only whether there were missing stubs?

A. I take that to be the same thing. I do not mean that the stub had been torn out, because the books did not show that. I presume I said "missing stubs." It does not appear that stubs had been torn out.

Q. Did you ever know whether Dr. Rose understood the term of "missing stubs?"

A. I never knew. I never attached any other idea to it.

Q. You stated awhile ago that you had corresponded with several students?

A. Only five.

Q. Have you the letters from these students?

A. Two were turned over to Mr. Climie. One was a postal card and one was a letter. I have the other three.

Q. Were the stubs in the stub-book which you had before you numbered consecutively?

A. In the main. Sometimes they went backward a little.

OTIS C. JOHNSON SWORN.—DIRECT EXAMINATION.

By Mr. Kelley:

Q. Are you engaged in the University?

A. Yes, sir.

Q. Were you engaged in the laboratory department in 1870 and 1871?

A. No, sir; I began in 1871.

Q. Have you since been engaged in that department?

A. Yes, sir.

Q. Were you acquainted with Dr. Rose?

A. Yes, sir.

A. Did you ever have a settlement of your laboratory account with Dr. Rose?

A. I don't understand you.

Q. Did you have a settlement of your account in the laboratory department with Dr. Rose?

A. You mean my account there as a student?

Q. Yes.

A. That previous to 1871; or, rather, I had a settlement with him as student in June, 1871.

Q. Will you state the circumstances attending that settlement?

A. The settlement was had the latter part of June, I think; either the day, or next, or a few days previous. In the evening I called at his house, and the bill was about \$43; and I did not pay the whole of it at that time, but I think about three-fourths of it; and I made arrangements with him so that I could send him the money after I returned home; and I sent him the money within a week.

Q. Within a week after the settlement?

A. Yes, sir; I sent it to him by draft. I settled at his house. It was in the evening. Paid him the money.

Q. Within a week after that you sent him the balance?

A. Yes, sir.

Q. What receipts, if any, did he give you for the payment?

A. I think he gave me no receipt.

Q. Did you have any voucher for the money you paid him?

A. I did.

Q. What did you do?

A. That voucher I signed and left in his hands. The circumstances of signing it were a little peculiar. The voucher which I signed was for \$43, but I had paid him not all of that, but about three-fourths of it; and I recollect it from this fact,—that I thought it singular I should sign a paper saying I had paid him the full amount when I had not done so. We conversed upon the matter, and he said he would have to give that voucher over to Professor Douglas, and direct him to sign it, and he would trust me to send the money on to him.

Q. Were you ever employed as an assistant in the laboratory department?

A. I began my work as an assistant in September, 1871.

Q. Have you continued in that department as an assistant since that time?

A. I have.

Q. What branch of instructions are you engaged in?

A. Assistant in qualitative analysis.

Q. State what you know from your own experience and observation of the necessity and difficulty of obtaining pure chemicals for use in that department?

A. We have use for two classes of chemicals, but chiefly the chemically pure articles. We occasionally use an article not quite pure for certain purposes, but in qualitative analysis they must be chemically pure, and we have found it impossible to procure chemically pure articles that are manufactured in the United States.

Q. What has been your experience in the use of chemicals that are manufactured in the United States?

A. That in general they are unfit for qualitative analysis unless they be purified. When we find it impossible to get the chemically pure article from Germany, we have to purify the American articles in the laboratory.

Q. What brand of chemicals are most reliable?

A. We have used more of Merck's, Darmstadt, Germany.

Q. What is your experience in the use of chemicals purchased from Powers & Weightman?

A. Last year there was quite a bill purchased from Powers & Weightman, but in general they were unfit for our use.

A. Were they of American manufacture?

A. I suppose so: supposed to be made at Philadelphia.

Q. Do you know anything of the reputation of that firm?

A. It is very good with druggists. I would say that in reference to his chemicals, while the impurities which they contain would injure them for our use, still they are perfectly good for pharmaceutical work, for medicines. For instance, a substance containing an impurity of chloride of sodium (that is, common salt), while it would not hurt it for medicine, spoils it for our use.

Q. Do their articles have a reputation of being sufficiently pure for ordinary purposes of trade?

A. So far as I know the druggists generally prefer them for medicinal uses. I said "prefer them;" they are as good as any other person's that I know of.

Q. Will you explain the mode of carrying on business in that laboratory department so far as you have observed, or have any means of knowing?

A. With the accounts between the students and bookkeeper?

Q. Yes.

A. There are little blanks about an inch square which, when a student wishes any article, he fills up, writing the name of the article and the day of the month, and signing his name to it. That is then handed to the assistant and charged, and he is furnished with the article. These little cards are then placed by that assistant in a box for the purpose, and afterwards, when their account is made up, the bookkeeper takes these cards and makes up the account from those cards, each card being signed with the student's name.

Q. Are any chemicals or material furnished to students upon cash sales?

A. None at all.

Q. What proportion of all the work in the laboratory department requires pure chemicals?

A. Very nearly the whole of it. With some articles we use none but the

chemically pure, and the others the most that is used is the commercial. I cannot state definitely the average throughout the whole.

Q. Do you know anything of the mode of settlement between Dr. Rose and Douglas in reference to the business of the laboratory?

A. I was frequently present in the same room when they were settling. My working table was about six feet from Dr. Rose's desk, and I was frequently there during their settlements, but paid no particular attention to what was going on.

By Mr. Mills:

Q. Was this while you were a student, or since you became an assistant?

A. Since I became an assistant.

By Mr. Kelley:

Q. Do I understand you to say that you do not know anything in regard to the manner of settlement between the doctors?

A. Yes; I understand the general plan of it.

Q. From your own observation?

A. Yes, sir; but I did not observe at any particular time so as to know whether the settlement were properly made at any time. I know the general state of the vouchers.

Q. Give us the best knowledge you have of the general system?

A. There is a system of vouchers, and when the student has completed his work, he signs that [pointing to a form of certificate], showing that he has paid Dr. Rose such an amount for chemicals and apparatus; and the student then has paid the money to Dr. Rose and signed that voucher; Dr. Rose has kept the money and the voucher until called upon by Professor Douglas, when both were handed over to Professor Douglas, as I understood it.

Q. What did that certificate or voucher, that was taken from the student when he settled his account, represent?

A. It represented the whole amount of the student's bill while he was at work in the laboratory up to that time.

Q. Upon its face it represented the \$10 deposit?

A. It represented the \$10 deposit and—

Q. On the face of the certificate it represented the \$10 deposit only?

A. Upon the face.

Q. On the back what did it represent?

A. It represented the \$10 plus the additional payment.

Q. Do you know about how often those certificates and money were turned over upon those settlements?

A. Sometimes Professor Douglas would come around and settlements be made, I think, once in two weeks. Sometimes perhaps one month, and perhaps two months, though I was not present all the time in the laboratory, and they may have settled more frequently than that.

Q. You are now a salaried officer of the University?

A. I am.

Q. What salary do you receive?

A. Seven hundred and fifty dollars per year.

Q. Do you know of any other matter in connection with the laboratory accounts in reference to the alleged defalcation?

A. Nothing that I think of, of importance, that is not already known to you.

Q. Have you ever seen any of those certificates in the laboratory department in the office where they are kept?

A. Which?

Q. These certificates given to the students?

A. Yes.

Q. Seen any of them there since the investigation has commenced?

A. Yes, sir.

Q. Who had them?

A. I don't know exactly which class of certificates you mean.

Q. I mean the certificates which are given to the student when he makes his deposit and surrendered by him when he pays his account?

A. No, sir; I have not seen those recently at all. I supposed you had reference to another class of certificates for the second deposit that was made.

Q. Where were the certificates that I have just mentioned and the books usually kept that belonged to the laboratory department?

A. Previous to the investigation they were kept at the laboratory; since then they have been kept at Mr. Bennett's office.

Q. Who have access to those books and papers?

A. Dr. Rose.

Q. Anybody else?

A. Not that I know of.

Q. What were they kept in?

A. Kept in a drawer locked.

Q. Usually would one of those certificates represent any more than one account upon the ledger?

A. Yes,—sometimes one, sometimes two, sometimes three, perhaps four different places in the ledger,—students who take different courses and be placed on different papers.

Q. When the student came to settle, if he had three accounts would the aggregate of the three accounts be endorsed upon the back of the certificate?

A. Usually so. I will say here that a student would sometimes settle up as if he were not going to return; he would then sign his voucher and the account would be considered settled; and then afterwards, perhaps in a month or two, he would conclude to work a little more. Then a new account would be opened, so that it would be possible for a student to sign two vouchers during the same year.

Q. Have you ever known a case where a student returned in that way,—that he would not have a second voucher but would have an account upon the ledger?

A. The plan—

Q. I ask you if you have never known such a case?

A. Never have to my personal knowledge, except by information from others. I have not examined the account.

Q. You have heard of such cases?

A. My impression is that I have. I cannot mention the name of the student at present.

Q. From whom did you hear or learn that such cases had arisen?

A. From the published investigation of one of the committees that met last winter.

Q. Have you received it from the report of those committees?

A. I believe it [I?] did.

Q. Any person ever tell you that they had found such accounts?

A. I think so. I heard that from various sources.

Q. Who told you so?

A. I think Professor Douglas told me for one.

Q. Do you understand my question,—whether a student might return and have a ledger account without a voucher or certificate? Did Professor Douglas tell you he found such accounts?

A. I so understood him.

By Mr. Kelley:

Q. When were you appointed?

A. I was appointed by Professor Douglas, in 1871; commenced my work in 1871. I was paid by him until 1875, and I was appointed by the Regents at their June meeting in 1875. For one year previous to my appointment by the Regents I was paid by Mr. Bennett; the other year preceding that by Professor Douglas, and since that time, of course, by Mr. Bennett.

Q. How large a part of the chemicals which are used in the laboratory are used in the particular branch of qualitative analysis?

A. I could not answer that question very closely, but I should think, as far as money value was concerned, a very large proportion,—perhaps four-fifths. That is only an estimate.

Q. All of those drugs in that department have to be chemically pure?

A. Yes, sir.

Q. In whose desk or drawer were the laboratory books of account kept? Was the key to such desk or drawer kept by Dr. Rose?

A. Dr. Rose kept the key, and I don't know that any one else had any duplicate key to it. I don't know but others may have had keys, but I supposed he was the only one that had any access to the drawer.

Q. Do you know of chemicals being sold to the medical departments of schools or any other parties, not including students with tables? If so, to what parties?

A. Various parties in this State and out of the State. Usually to those who had taken a course or a partial course in chemistry and were teaching chemistry elsewhere.

Q. Who made those sales?

A. Dr. Rose, so far as I know.

Q. Was there any account on the books of such sales?

A. I think not. I have never seen any such accounts on the books.

Q. Was he the disbursing officer of the laboratory?

A. It was his place to sell those chemicals in that manner.

By Mr. Hinchman:

Q. Was there no book kept for such sales?

A. I never saw any book with such sales. Those books were not kept upon the ledger with the other accounts.

Q. Dr. Rose got the money in all cases?

A. Yes, sir; I suppose so. No one else was receiving any at that time from students. In all cases where the bills were paid they were paid directly to Dr. Rose.

Q. Either by students or outside parties?

A. As I understood at the time.

Q. Was the quantity sold a large quantity? How much would it amount to in a year?

A. I could not make any very close estimate on it. I frequently assisted Dr. Rose in packing the articles that were sold, but I could not make a very close estimate as to the amount.

Q. \$500 per year?

A. I should think \$500 rather high?

Q. What would you set the amount at?

A. Some years it would be scarcely above \$30, and at other times it might have been very near \$200; but not usually so high as that.

By Mr. Mills:

Q. Did any other persons give directions for those sales, or have any knowledge of those sales to outside parties?

A. My understanding was that Professor Douglas gave directions to Dr. Rose to sell them in that manner?

Q. In all cases?

A. Yes, sir; and that he was acting under directions from Professor Douglas in doing so.

By Mr. Kelley:

B. How did you get the information that it was impossible for you to get chemically pure articles in the United States unless you had got them previously?

A. If I understand you the question is this: How do I know that the chemicals made in the United States are not fit for use if we never have used them? The firm of Rohrbeck & Goebeler would send us two kinds of articles,—those marked with Merck's name, the German article, and sometimes would put on his own name. Those that had his own name on were, we supposed, made in New York, and almost without exception we found upon analysis that they contained impurities that unfitted them for use; and also the chemicals made in Philadelphia were found unfit for our use. And sometimes when we were out and had not time to send to New York, we would purchase here in town or have some druggist in town send to Detroit for us; and those which we received in that way, either from Detroit or from the druggist here in town, were in general unfit for qualitative use.

Q. How many chemicals have you purchased from Powers & Weightman? How long have you been using them?

A. The last year, so far as I know, was the first that was purchased directly of Powers & Weightman; but I am familiar with their chemicals because for several years we have occasionally purchased articles here in town that had Powers & Weightman's label on them, and we found them usually unfit for analysis.

Q. How long have those little blanks filled for the students been in use?

A. I think about four years. Previous to that the student wrote the same upon a blank piece of paper, on which there was nothing printed, but they found it easier to have printed blanks; and I think for four years those blanks have been used.

Q. What is the proportion of commercial articles used in the laboratory?

A. I could not say definitely,—perhaps one-fifth part, perhaps less than that.

Q. What is a "forfeit account"? How many kinds of forfeited accounts are there?

A. I do not know very much about them.

Q. What is a "canceled ticket," and how many kinds of them are there?

A. I do not know very much about that?

Q. Did you not have two accounts? Did you not settle both with one ticket, and only make one deposit?

A. I had two accounts. I came here first as a student in January, 1869, and settled with him in June, 1869. I then was absent one year, and came again in September, 1870; and at the close of that year, that is to say, in June, 1871, I signed a voucher for the whole account for that year. Did not settle my account for that year until the close of the year.

Q. Did you not have two accounts, and did you not settle both on one ticket and only make one deposit for the years 1870 and 1871?

A. My recollection is that I deposited at the beginning of the year, and did not pay any more until the close of the year. I will not be very positive about that, however.

Mr. Sawyer—That don't answer the question. You have a qualitative and pharmacy account both settled on one ticket, \$40. That is what the question covers?

A. I did not take qualitative that year.

Q. Quantitative?

A. I did not take quantitative that year.

Q. Would you know your ticket if you saw it?

A. Oh, yes. I occupied two tables that year,—one in the pharmacy and the other in the room above. Yes; I am sure it must have been entered in two places on the ledger,—in the one case in what is called the pharmacy ledger and in the other the qualitative ledger, and I settled for both of those upon the same voucher.

Q. Did you make more than one deposit?

A. I don't think that I did, though I will not be positive about that. My impression is that I paid him \$20 at or near the beginning of the year, and did not pay him any more until the close of the year.

Q. Would not one of those accounts appear upon the ledger as a stubless account?

A. If I understand the situation of keeping those stubs, when the first deposit was entered upon the stub the other did not appear upon the stub, but upon the voucher.

Q. Would not one of those accounts appear upon the ledger as a stubless account?

A. As I understand it, the first payment, which was, as I believe, at that time for pharmacy, \$20, would appear upon the stub, and the remainder would not appear upon the stub, but would be included in the voucher.

Q. Were the certificates which had been delivered up by the students and settled for between Douglas and Rose kept in the laboratory?

A. They were kept in the laboratory in the hands of Dr. Rose until called for by Professor Douglas.

A. After they were passed into his hands were they kept in the laboratory?

A. I don't know; I never saw any; I presume not. My understanding was that they were kept by Professor Douglas until the annual settlement, and then placed in the hands of the steward, I think.

Q. Tell us how it could happen that there could be an account against the same student in three or four different places on the ledger?

A. The student would take qualitative analysis and settle his account, and then he would take pharmacy and settle his account; his account would be entered in a different ledger. It was not convenient to keep the whole account on the same ledger, because the chemicals used in making the pharmacy preparations were different. Then after finishing that course the student would take some other course, quantitative or toxicology. In each case it was usually placed on a different page, either on the same ledger or in another book entirely.

Q. When a student has taken one course and desires to take another right along, did you not open a new account with him?

A. Sometimes it was done and sometimes not. It depended upon what the new course was. If the course first taken was qualitative analysis and the second course pharmaceutical preparations, there was always a new account opened. Sometimes a student would take qualitative analysis and then quantitative upon the same table, and consequently continued right along on the same page in the ledger, and sometimes it would be transferred to another page in the same ledger.

Q. If Rose kept the key of the place where the books were, how did Douglas get them to his house and examine them?

A. He called at the desk,—I happened to be there at the time,—and he called for the books and handed them to Mr. Congdon; told him to take them to his house. I did not know what it was for at the time, and it did not excite my curiosity; but I recollect the circumstance.

Q. Can you name any party in this State that bought chemicals from the laboratory?

A. Mr. Montgomery, who was then at Battle Creek; had a school at Battle Creek, I believe, at that time.

By Mr. Kelley:

Q. If a student had several accounts in the ledger and but one certificate, I understand you to say the accounts were all settled upon that certificate, and you closed them up?

A. If the student continued work right [on] in the laboratory and did not say anything about leaving, it was all placed upon the statement; but sometimes the student would say that he had finished his work and would leave the laboratory for perhaps a month. His account would then be settled, and he would sign his voucher, and then perhaps at the end of the month he would come back and go to work. Then at the end of that time he would sign another voucher, as I understand the system of keeping the accounts.

Q. Then sometimes the student would take out the certificates and have two stubs—the same student?

A. I suppose so.

Q. Supposing that the student had several accounts upon the ledger and but one certificate, and had closed up his accounts upon that certificate, if that certificate was not produced there would be but one stub to represent that student's account?

A. As I understand it—

Q. That is, there would be nothing to show the closing up, or the payment of the excess of the ledger account over the one that was found on the stub?

A. If the voucher were lost or destroyed the stub would not show the amount, as I understand it, but the stub will only show the first payment.

Q. Show the payment of \$20?

A. Yes, sir.

Q. Then would not all the accounts except one be stubless accounts?

A. These words "stubless" and "forfeited," seemed to have obtained a sort of technical meaning. I have heard about them a good deal in the investigation, and perhaps my idea of the meaning of the words would be different from yours.

Q. Now, was it not a fact that the only means you had of ascertaining in that department whether the several ledger accounts of one student had been closed or not was the endorsement upon the back of the certificate?

A. That was not the only means. The ledger will show also.

Q. How would the ledger show that any account had been paid?

A. When an account was settled it was so marked upon the ledger.

Q. Point out what indicates the settlement on the face of that ledger, and payment of it.

A. This line being drawn, and these figures at the bottom.

Q. What significance would the initials have upon the margin of each page?

A. I do not know.

Q. Did you ever know of any account being settled without a voucher?

A. No, sir; not that I know of.

Q. Then would those rulings on the ledger accounts indicate that they had been settled upon a voucher?

A. Yes, sir, if done according to the system. You don't understand me. This account here would not necessarily be represented by a voucher; but this account, taken in connection with another on another page, and a third in another book, might all be summed together in one voucher, so that there would be as many vouchers as there were accounts.

Q. In that case would all three accounts indicate the marks and rulings here,—would it be an indication that the voucher had been presented and settlement had been made upon that?

A. Yes, sir, if done according to the plan as I understand it.

By Mr. Phelps:

Q. Where there are three accounts in the ledger settled with one certificate, there would be two accounts that would be stubless, would there not? I would like a direct answer to that question.

A. Sometimes yes, and sometimes no. It would depend upon the size of the accounts. Suppose the deposit were \$10, that would be indicated on the stub, and the three accounts of the students, all on different pages, might be less; that is, the sum of the three might be less than \$10, so that they would all be represented on the stub.

Q. The account on the ledger would be stubless,—some of them in reality?

A. If the sum was more than \$10, it would not be represented on the stub.

By Mr. Kelley:

Q. The question asked by Mr. Phelps was in reference to whether the students had three accounts and one voucher, one certificate issued to him, and two of those accounts would be stubless. He means there would be no stubs similar to that appearing in these stub books, except one for that student. Is that true?

Mr. Phelps—The three accounts in the ledger would be settled upon the one voucher.

A. Yes, sir; three settled upon one voucher; but only the first payment upon

the stub, but not the first *account* upon the stub. The first page upon the ledger might represent an account greater than the \$10, or it might be less.

By Mr. Kelley:

Q. You do not understand the question. Would the student have more than one stub appearing upon that stub book if he only had one voucher issued to him?

A. I see now. Yes. In some cases he would and in some cases no I understand.

Q. What has become of the other voucher?

A. That would be signed and handed over to Professor Douglas.

Q. Would any accounts be settled upon more than the one voucher?

A. I don't understand.

Q. A student, when he enters the department, deposits \$10 and receives a certificate, and a stub is made similar to this. Now, in the course of his studies there it becomes necessary to open three ledger accounts with that student; would not those accounts, if he never receives another certificate, be what is termed "stubless accounts,"—two of them, or accounts with no stub appearing on these books to correspond? Is not that so?

A. Perhaps my meaning may be clearer if I may refer to this fact—

Q. If you cannot understand the question, I don't think we could understand your meaning. I will repeat it again. A student enters the department, deposits his \$10, and takes the certificate and a stub is made. During the course of his studies three ledger accounts are opened. Well, when he comes to settle, if the voucher was lost, would not two of the accounts appear as "stubless accounts?" that is, accounts having no stub in this stub-book to correspond with?

A. Some payments were made, and stubs—

Q. I am not asking you about payments. I am asking you if it is not a fact that there would be no stub to correspond with two ledger accounts if he never had received but the one certificate?

A. If he never had received but one certificate there would be but one voucher and one stub,—one stub of that class; and he might have several accounts in the ledger, all represented by the one stub and the one voucher.

Q. But upon the face of the stub-book there would be two of those accounts that would have no stub to correspond with them; that is, there would be no stub with the student's name upon it?

A. Yes. The other payments were some of them entered and receipts given from the book, which would be a different kind of stub from that,—a different stub-book.

Q. That was when the student was notified to make further deposit, was it not?

A. Yes.

Q. That was a different form of certificate?

A. Yes, sir.

Q. But the settlement was generally made upon the certificate that was taken from one of these stubs?

A. Yes, sir.

Q. If two or more accounts with the same student on the ledger appeared to have been settled at the same date, might they be settled on the same voucher?

A. On the same voucher, as I understand it.

Q. If two or more accounts were settled at different dates, could they be settled on the same voucher according to the course of business?

A. Yes, as I understand it, providing the student kept on at work. He would pay up for a particular kind of work and then begin another account. Having paid up the first kind, his account would be settled on the ledger and indicated so at that place; and then again when his second account was settled, if that was the last of his work he would sign the voucher including both of those accounts.

Q. If two or more accounts were settled at different dates, could they be settled on the same voucher, according to the course of business?

A. When a student finished his work,—a particular kind of work, say qualitative analysis,—it was usually the method that he paid up for that, and it was so marked on the ledger. Then he continued working, and, as a matter of course, when he finished up and a final settlement was made with the student, the sum of the two accounts was included in the voucher. As to making the settlement with the student, when he finished his work the account on that page of the ledger was indicated as settled; but the account of the student with the laboratory was not considered so until he had signed the voucher for the whole amount. Sometimes after finishing one course he would sign the voucher, but I think not usually. I think usually that was left to be done when the student had finished working entirely, and was to go out of the laboratory.

Q. If an account or accounts were settled and the voucher surrendered, would a settlement of a subsequent account appear in the voucher?

A. Not in that voucher, but in the second voucher. There would be two vouchers in that case.

HUGO THUM SWORN.—DIRECT EXAMINATION.

By Mr. Kelley:

Q. Have you been a student in the laboratory department?

A. Yes, sir.

Q. When did you enter that department?

A. In 1873, I believe.

Q. How long did you remain a student?

A. Nearly three months that year.

Q. About what time did you leave?

A. About the 20th of December.

Q. How much did you pay while you were a student there?

A. I paid \$20, I believe.

Q. To whom did you pay it?

A. To Dr. Rose, I believe.

Q. Did you have to make a deposit when you went to the department?

A. Yes, sir.

Q. How much?

A. Ten dollars.

Q. What receipt did you take for it?

A. I don't know. I have got it in my pocket now, I believe.

Q. Let us see it?

A. Here it is. It seems I paid it to Bennett.

Q. Did you pay the money represented by that certificate to Dr. Rose?

A. I don't remember any more.

Q. Who signed that certificate?

A. It seems Mr. Bennett did.

- Q. What office has he?
A. Steward.
Q. Is he in the University now?
A. Yes, sir.
Q. Would he have signed the certificate if he had not received the money?
A. I should not think so. I cannot remember to whom I paid it.
Q. That is not the certificate you receive when you make your deposit in the laboratory?
A. No; I gave it to Bennett, because I did not settle up at the time I left.
Q. Did you ever make a deposit in the laboratory department?
A. Yes, sir.
Q. Did you receive a certificate similar to this?
A. Yes, sir.
Q. What did you do with that?
A. That Mr. Bennett has got.
Q. When did you give it to him?
A. Two or three weeks ago.
Q. How much have you paid upon that certificate?
A. Ten dollars.
Q. Where did you pay the other \$10?
A. I believe that slip when I entered.
Q. Then the last \$10 did not go in Mr. Rose's hands?
A. The last did, the first did not. I guess that is the first on that slip.
Q. Did you have a ledger account?
A. I could not say: I believe so. They have now settled my account; \$5.80
I was to have as a return on that last \$10.
Q. On the return of this certificate?
A. Not that,—the one Bennett has, the red one.
Q. Did you ever have a settlement with Dr. Rose?
A. No; I left without saying anything about the account. I had to leave suddenly. I did not say anything about it at that time. I came back this time and there was \$5.80 to my credit on the books; that is, Miss Crane says there is. I have not got it.
Q. Will you state again about what time you went into the laboratory department?
A. The first week in October, '73.
Q. If I understand you correctly you never paid but \$10 that went into the laboratory department?
A. I can't remember exactly. I paid either \$20 or \$30 altogether when I came. Ten dollars is the annual fee each student had to pay, and I paid \$20 besides that,—I believe twice for chemicals.
Q. Do you know to whom you paid the money?
A. No, I do not.
Q. Where are you now employed?
A. Grand Rapids. I am here now.
Q. Where do you live now?
A. Grand Rapids.
Q. What business are you in?
A. Drug business.
Q. Why did you come to Ann Arbor?
A. To study pharmacy.

Q. Then you are here in the University now?

A. Yes, sir. I believe I paid \$20 on chemicals.

Q. Where are your receipts for them?

A. Mr. Bennett has them.

Q. When did you give them to him?

A. Two or three weeks ago, in order to have my account settled. I went to see how much credit there was.

Q. Can you tell how much of that money was paid to Dr. Rose?

A. No, I cannot with distinctness.

Q. Do you know that you paid him any?

A. No, I could not say sure.

Q. Were you acquainted with Rose while you were here in '73?

A. Only knew him by sight.

Q. Did you ever have any conversation with him?

A. No.

Q. Was the certificate given to Bennett like this one shown you?

A. Those red ones. I believe I gave him two, to show that I paid \$10 in the first place when I came, and then I paid \$10 again on the 24th of November, and I went off without settling it; and I thought I had not used that last \$10 of chemicals, because I left some on my table, and I wanted to find out what was due me by the University, because they had those things, and I went to Bennett and showed him those receipts. He told me to come again and he would look it up. I came again, and he had not looked it up; and I spoke to Miss Crane of the laboratory department, and she went and looked over it, and she said there was \$5.80 balance due me on the books, and said that Mr. Bennett would like to keep those receipts.

Q. How much did she tell you she thought there was due you now?

A. She told me she thought there was \$5.80.

Q. Is this certificate you had shown the annual fee that all students have to pay?

A. I suppose it is. I had to pay \$10 annual fee, and may be that is the receipt for it.

Q. Whose name is signed to the receipts you delivered to Bennett?

A. Rose's, assistant, I believe, if I can remember right.

Q. Were those receipts two statements of payments made by you?

A. Yes, I guess they were. I don't see why they should not be. I paid \$10 when I got this; and it says, I think, the chemicals have been used up for the amount of \$10; and this receipt is not good unless signed by Professor Rose, assistant, if I remember right.

Q. Were those receipts for \$10 each?

A. \$10, I believe,—\$10 each.

Q. You have paid \$20 into the laboratory?

A. I think so. I gave them two. The only thing I remember clearly is that the last \$10 I did not use up.

Q. You paid the first \$10 about the 30th of September, 1873?

A. When I first came here.

Q. And the other on the 24th of November, 1873?

A. Yes, sir.

Q. Did you ever examine your account with Dr. Rose to see how much you used up?

A. No; I have never. I went off without it.

RICHARD TREGASKIS SWORN.

By Mr. Kelley :

Q. Have you been employed in the examination of the laboratory accounts?

A. I have.

Q. By whom were you employed?

A. I was employed by both committees,—the first committee, known as the Climie-Rynd committee, and the second by Messrs. McGowan, Grant, and Estabrook.

Q. What has been your occupation?

A. An accountant, sir.

Q. What experience have you had in that occupation?

A. Twenty-five years.

Q. Where?

A. In England and in Detroit.

Q. How much time did you spend in examining the accounts of the laboratory?

A. I think the entire time would be somewhere in the neighborhood of three months.

Q. Did you make an abstract of such accounts?

A. I have, sir; several.

Q. Can you refer to the stub-book containing the stub of H. Thum's account?

A. I can, sir.

Q. Please refer to it and give the number of that stub.

A. I have it, sir,—number 63; dated September 30, 1873.

Q. What book is that in?

A. The number of this book is 10. The stub is signed with a *D*,—I should judge Mr. Douglas'.

Q. Can you find the deposit money represented on that stub you reported in any of the annual reports of Dr. Douglas, and if so, what year, and refer to it?

A. It is in the report for 1874-5. It is entered here as *Theme*, \$10, which I presume to be the same one, bearing the same number as the stub.

Q. State whether that was reported as a forfeited account?

A. It is among the list of accounts termed "forfeitures."

Q. Have you been able to find any other stub from the same party reported?

A. We have been unable to find any other stub than this, but there is one in existence there now.

Q. Have you been able to find where Hugo Thum paid \$10, other than that you have just designated?

A. Yes, sir; I find on the ledger, I think the date is November 24th, where Hugo Thum's account is credited with \$10 in addition to this \$10, making \$20 altogether. That is the only record I find on the ledger, or at least have found up to date.

Q. What is the difference between the \$10 paid on November 24th and that paid September 30th?

A. This of September 30th, '73, was a deposit of \$10, as was usual with all students, being the amount paid on entering the University or Laboratory.

Q. Upon what should the other \$10 appear?

A. The other \$10 would appear just where it is on the ledger. There are other cases of the same nature.

Q. Does that appear as \$10 deposit money?

A. No: subsequent payment.

Q. Would this be a voucher in the ordinary course of business adopted by this department? Would there be a voucher for the second \$10?

A. Not for the second \$10. The voucher would be supposed to cover the full amount of the account. The voucher detached from this stub on the book would be supposed to cover the full amount of the account.

Q. From your examination can you state whether the second certificate or voucher would be given for the second payment November 24?

A. No, sir, it is very unusual. There may have been a case during the whole period of time we have gone over; I could not say as to that. There may be one; I think not more than one. I am not aware of any, from memory.

Q. Is it usual for receipts to be given for the second payments?

A. Not that I am aware of,—no official receipts that I am aware of, that I have seen other than the stub.

Q. Did you find any receipts or vouchers returned where second payments are required to be made or deposits?

A. No, sir; not one.

Q. Did you find a voucher for the first \$10 in connection with the annual report of '74-5 of Dr. Douglas.

A. I think all we found was the fact of a stub bearing the letter *D*.

Q. Did you find any evidence that the first \$10 deposit on the 30th of September had been paid over to Dr. Douglas?

A. Yes, sir,—by the mode of settlement, and by marking a *D* on the stub,—the mode adopted throughout the whole business.

Q. And that, I understand you, was paid over to the University and accounted for?

A. By Dr. Douglas in '75,—in the report of '74-5.

Q. Did you find any evidence in the books or other papers that the second \$10 paid by Mr. Thum on the 24th of November had been paid over to Dr. Douglas?

A. No, sir.

Q. Will you turn to Hugo Thum's account and state to the committee just the condition of that account?

A. On page 218 Hugo Thum has an account, on the debit side of which is footed to be \$14.20, on the credit side September 30th, '73, \$10, and November 24, \$10, making \$20; so that he had an excess of credit of \$5.80.

Q. From your knowledge of the course of transacting business in the books as they appear, can you tell in whose hands the second \$10 would be?

A. I should judge it would be in the hands of Dr. Rose.

Q. Is that the only ledger account which you find of Hugo Thum?

A. I think it is.

Q. Do you find any other?

A. I think not; I think that is the only one.

Q. Turn to the report of Dr. Douglas for '73-4, and see if you find Hugo Thum's name in it.

A. I find it in '74-5.

Q. Look at '73-4?

A. No, sir. The sums on the report are reported in bulk. There are 12 aggregate items; it is not stated for what they are; they are simply figures.

Q. Can you give us any reason why the amounts represented by the certificates were not reported in '73-4?

A. I don't know of any reason why not, sir.

Q. What is the date of that report?

A. The date of this report is July 1, '74,—from July, '73, to July 1, '74. I presume some of these figures are for deposits and vouchers, etc. They are in blank, but the figures are carried along here, and are in the main aggregated. They come somewhere near the package of vouchers for—

Q. For that year?

A. Yes, sir.

Q. Have you compared the vouchers of that year with the report?

A. Yes, sir.

Q. Do you find them to agree with the amount?

A. No, sir.

Q. Does the report show a greater sum than the vouchers represent?

A. It does.

Q. How much more?

A. \$54.80.

Q. Can you tell what made up the \$54.80?

A. I cannot, sir.

Mr. Taylor,—After you compared the vouchers for '73-4, were not some of the vouchers found misplaced; that is, vouchers for one year found in the package for another year?

A. I can't say as to that. The packages of vouchers were supposed to be complete when we got hold of them, but in every year there are vouchers that should have been in there,—not in every package. I doubt there was one, except we found cases of that kind. The last case mentioned, '73-4, was reported in '74-5,—that Hugo Thum matter,—so that in the general aggregate Dr. Douglas has credit for the entire package of the vouchers.

Q. Have you compared the vouchers for '73-4, and were not some of the vouchers misplaced, that is, vouchers for one year found in packages for another year?

A. I cannot call to mind any excepting in the matter I have before spoken of.

Q. After you had made your examination for this year, did the vouchers that you arranged for the year make up the amount of the annual report?

A. They did not, sir.

Q. There was a balance left for which there were not a vouchers for this year?

A. Yes, sir.

By Mr. Taylor :

Q. During the examination before the last committee, were not vouchers found displaced and corrections made?

A. There is not a year where you will find any number of vouchers displaced if you turn to them; there are any number of vouchers in one year that belong to another.

By Mr. Kelley :

Q. In the second investigating committee did you find any vouchers displaced which you arranged and placed in the year '73-4,—which you had not included in your investigation before?

A. I think not one, sir.

Q. If the Thum account, so called, was a forfeited one, would any voucher representing it come to Dr. Douglas' hands?

A. No, sir.

Q. Have you examined the newly discovered stub-book for a stub representing the second \$10, and if so, do you find such stub?

A. I have, sir. It is numbered 16; the amount is \$10, with a red line ink mark *E*, which probably denoted "entered," name Thum, date I take it to be November 24, page 218, at the bottom.

Q. If Mr. Rose did not report the Thum account, could Dr. Douglas, according to the course of business as you understand it, report it for that year?

A. No, sir; he could not.

SILAS H. DOUGLAS SWORN.

By Mr. Kelley :

Q. Are you connected with the University?

A. I am, sir.

Q. In what capacity?

A. At present I am professor of applied chemistry and metallurgy.

Q. How long have you held a position in the University?

A. I was first appointed September 12th, 1844.

Q. Have you continued to occupy the position since that time?

A. Yes, sir; I have.

Q. To what department were you first appointed?

A. I was assistant professor of chemistry at first,—assistant to Dr. Houghton.

Q. When were you first assigned to the full charge of that department?

A. I cannot recollect the date; I think it was within a year of that time that I assumed full professorship.

Q. Had you sole management of the chemical department, the laboratory department?

A. I had, sir.

Q. When did you first employ Dr. Rose?

A. I first employed Dr. Rose in March, 1866.

Q. To what duties or work did you assign him?

A. The work of keeping the accounts and dispensing the chemicals of the laboratory, and assistant in instruction.

Q. Had you a system of keeping the accounts before he came there?

A. Yes, sir.

Q. State what the system was,—how the accounts were kept?

A. The accounts were kept in many respects the same as they are at present,—that is the usual ledger was used, using the printed blanks for convenience, saving so much writing; and the substantial difference was that instead of the regular receipt which we have now, it was a "card voucher" as we called it. There was no stub to the voucher. The system of accountability to the board of regents, was the same as at present,—upon these card vouchers, instead of the vouchers that are at the present time in use. That is, the person in charge of the books returned to me whatever was received by his own signature, that is, endorsing it with his initial, usually upon the back of this card deposit, placing it upon the back of that and giving his initials upon the card; and that was returned to the board to show that the amount had been paid to me. Within a year after that, the present system was adopted of causing the man

paying the money to certify to the amount that he does pay. In the first year no certificate was required from the person paying the money; that was adopted at a later period.

Q. What salary was Dr. Rose to receive from his first employment?

A. I don't recollect his salary, I think it was either \$300 or \$225: I could not say without referring to the books.

Q. From what fund was that salary paid?

A. By an appropriation of the Board of Regents under a resolution which has been read here to-day, referred to by Regent McGowan. The appointment was made under that resolution.

Q. Was the salary paid out of the general University fund?

A. Yes, sir.

Q. Was he subsequently employed by the Regents?

A. He was always employed by the authority of the Board,—authority given me to employ him.

Q. Was he subsequently employed by any direct authority of the Board of Regents?

A. By the resolution referred to,—I don't recollect the date,—referred to this morning. I suppose he was employed by the Board of Regents.

Q. You refer to the resolution cited by Mr. McGowan?

A. Yes, sir.

Q. Was he continued in the performance of the same work after that resolution, or was he assigned different duties?

A. The same work. The duties have always been substantially the same. A variation, of course, must necessarily be, but he has always had charge of the accounts of the laboratory from the time he came there.

Q. Was he ever assigned duties as cashier of the laboratory?

A. He has always received the money of the laboratory, if you call that the duties of cashier.

Q. Did he disburse any cash?

A. Very rarely; sometimes pay small bills that were required to be paid in my absence,—such as cartage for draymen that came to the laboratory with boxes, that had got to be paid. He would pay them and hand me the vouchers, and treat them as cash between us.

Q. Did any entry of such payments or vouchers go upon the laboratory books?

A. No, sir. He kept the vouchers and turned them over to me in our monthly settlement, or when we had settlements, as so much money.

Q. Did he keep a ledger account, in the laboratory, of disbursements?

A. No, sir; not that I am aware of.

Q. Did he of receipts?

A. Of receipts, he kept a ledger account. Yes, sir; these books were kept by him.

Q. Did he keep a record of the transactions between himself and the students?

A. No further than these books of record of those transactions.

Q. He kept a record, did he?

A. Yes, sir; he kept a record. These books are the record.

Q. Did he issue tickets for money received?

A. He did, sir.

Q. Did those tickets have corresponding stubs?

A. Yes, sir.

Q. Did you compare such stubs and tickets?

A. No, sir; I did not compare the stubs and tickets?

Q. Did you ever compare the tickets with the ledger accounts?

A. No, sir.

Q. Was not it a part of your duty to see that the accounts were properly kept in the laboratory?

A. It was a part of my duty, undoubtedly, as far as possible, to see that the accounts were kept properly in the laboratory. I had supposed up to the time of this "defalcation," if I may call it so, and I had so stated to the Board of Regents repeatedly, that the vouchers surrendered to me by Dr. Rose, were duplicates of those books,—that they represented the receipts upon the books. I had no reason to suppose otherwise. Let me say that I depended upon the vouchers and the stubs given to me as evidence of what was paid in the laboratory.

Q. Will you state in what manner you received the money and how you settled with Dr. Rose?

A. If you will give me the vouchers of '73-4, perhaps I can illustrate it best with those before me, with the wrappers. I hold in my hand a package constituting vouchers for the year '73-4, vouchers or receipts. There are, I think, twelve of these packages. I take for example one of these packages. These receipts are signed by the party paying the money into the laboratory. Mr. Heyser, for example, certified that on the 9th day of June he paid to the person in charge of the laboratory \$36.20, inclusive of deposit money, which is represented upon the other side of the receipt. As I said before, I depended upon these certificates as evidence of what was received into the laboratory. First, the \$10 represented upon the face of the certificate was paid to me upon what is called the stub; that is, corresponding to this ticket there is a stub. Ticket 234 will have a stub, 234, of \$10. If that stub has my genuine initial or signature it would be evidence that the \$10 had been paid to me at some previous settlement. The regular time for settling with Dr. Rose was on the first Monday of each month. As I would often be very much engaged, the whole settlement did not always come on the first Monday of the month; but as soon as possible after that date I would go into the laboratory and settle with him. He would first call off—one or the other of us would call off the tickets. Mr. Heyser, for example, would be called off, \$36.20, and evidently at this settlement I called off the tickets and he took them down. On this little paper which I hold in my hand is the memorandum of settlement on or about the 9th of June, '74. This memorandum is in the handwriting, I believe, of Dr. Rose, and it represents the vouchers contained in that wrapper. I evidently called them off, and they were taken down upon this piece of paper,—the amount of them,—and I presume the vouchers which I hold in my hand correctly represent the amount upon this ticket.

Q. What is the amount on that wrapper?

A. \$572.45. These will undoubtedly figure up that sum so represented. You observe here, and as I said before, this is in the handwriting of Dr. Rose. This is taken down, and then we will usually go to the "stub-book," as it is called, one of those books, and turn back to the last point where the last date appears, and count up whatever stubs had initials from the last settlement up to the time of the present settlement. These were taken down; and that showed the

amount of money he had received on those stub accounts. Then the face of the tickets, or these stub deposits, was taken from the sum total of the tickets as he had produced them to me, the face of them,—the original deposit—they were taken up, the amount of deposit money that had come into his hands since the last settlement was computed, and he would pay me the sum. These tickets, or these “wrappers,” as they are now called, of which this is one, I would usually wrap up the vouchers and pass it around like this, take it to my home, enter it into my University book, lay them away in a pigeon hole in my desk, and they would remain there until the close of the year, until I came to make up my annual account. My annual account was made up from these unless there was some small items of receipts outside of these, which appeared at other ways. They were made up on these vouchers, and they were returned to the Board of Regents as evidence of what was received; and in this year they were returned, I believe, with the original wrappers now surrounding them: or they have been so much worn that they have been placed inside of the packages; and I believe in this year they are, perhaps,—I don't know but all,—in the handwriting of Dr. Rose. These were returned, to the Regents, as I said, and constitute the evidence of what I had received from the laboratory during the year, and what I felt I had to account for, except what is sometimes called “stub money” or “forfeiture money,” which I will perhaps explain in my testimony at some future time in another connection. I believe that these packages were found in the possession of the secretary, where they had been ever since I had rendered the account to which they refer; and so of all the years, as a general thing. The original wrappers or memoranda of settlement between us are preserved for four or five years complete, and for other years more or less complete, and they were all in the hands, I believe, when this matter occurred, of the Secretary of the Board, and have not been in my custody during any portion of the time.

Q. Did you deliver the certificates to the Secretary of the Board of Regents when you made your annual report?

A. I usually delivered them to the Board. I delivered these vouchers for receipts, and I also delivered vouchers for my disbursements. They will be all found in the file of the bill.

Q. After such delivery did they come back into your possession again at all?

A. No, sir. I had nothing to do with them after they were delivered to the Board. I usually met with the auditing committee when they were auditing, and went over them. With that exception I had nothing to do with them from the time they were delivered to the Board until this matter occurred. Never saw them.

Q. Did you give Dr. Rose anything that should take the place of receipts when you received these vouchers?

A. No, sir.

Q. Did you ever make any marks upon the stubs to indicate having received the vouchers?

A. I did not make the marks upon the stubs. I will go on with the statement perhaps a little further. In making up these memoranda I would then call off the vouchers and the numbers of the stubs. The doctor would take his ruling pen and draw a red line diagonally across the stub. That red line indicated that the vouchers had been surrendered to me. It was always drawn in my presence: I don't know that I ever drew one myself.

Q. Were the red lines ever drawn upon the stubs that had not the initial *D*?

A. Yes, sir. I think there are several stubs with the red line which have not the initial *D*.

Q. Drawn in your presence?

A. I suppose it must have been. I don't know whether it was or not, I am sure. If in the regular order of things, of course it would have been drawn in my presence.

Q. Did you receive the deposit money represented by such stubs?

A. No, sir.

Q. Did you know it at the time?

A. I did not notice it at the time. I should not have allowed it if I had noticed it.

Q. Any stub that contained both the letter *D* and the red line you were accountable for?

A. In the regular course of business, if the red line was in regular order, unless I could show I had not received it.

Q. Do you raise any question as to any letters on those stubs?

A. I do, sir.

Q. What is the matter with them?

A. I think they are not genuine.

Q. Can you point out any that are not genuine?

A. I can, sir, some of them. I don't think I ever looked at all.

Q. Point out some of them. Tell us some that are genuine and some that are not genuine.

A. Stub 58, I am confident, in the book of 1866-7, is not genuine.

Q. Any more in that book?

A. There are others in this book. My recollection is, as I have reviewed these,—I have not reviewed them very carefully,—that the stubs from 46 to 84 or 85,—I question very much whether they are my signature. I am under the impression that they are not my signature.

Q. Did you ever authorize any person to place the letter *D* upon them?

A. No, sir.

Q. But you say that the initial on stub number 55 is not genuine?

A. I hardly think it is genuine. The committee can judge, perhaps, best by comparing it with some of my genuine letters. They can be their own judges about that.

Q. Have you accounted for the certificates represented by the stubs from 46 to 85?

A. I suppose I have, sir.

Q. Did you never discover that all of those stubs were forged?

A. I never discovered it. I never had any reason to suppose so.

Q. Did you never examine the stub book?

A. Not until this occurred,—not with a view of telling whether it was genuine or false. In fact Mr. Climie, I believe, first directed my attention to the want of genuineness of those stubs.

Q. At the time of the settlement you had to compare the stubs and the certificates, did you not?

A. I did not. Usually, they are \$10, I would call them off and he would mark them. I thought if every one I called he marked with a red line, there would hardly be any mistake about it.

Q. Did you never examine the stub to know where to commence to place the initial *D*?

A. I generally did that.

Q. Can you find a genuine letter in this book?

A. Yes. I think all previous to that are probably genuine in this book. It closed up by those which are not genuine.

Q. Commence at number 46 and go back and show the genuine ones?

By Mr. Phelps :

Q. Are those certificates missing?

A. I presume not. My impression is that stub 45 is genuine; 44 I think is not genuine.

Q. Is it the initial or the full name?

A. It is the full name "Douglass," and I hardly think that can be genuine. That has not the appearance of my handwriting, and there are other evidences.

Q. Any other reasons why you think it is not genuine?

A. I think I never spelt my name with an *e*. I have no recollection—

Q. Did you make a practice of spelling your name always the same way?

A. Yes.

Q. Didn't you usually spell it with *ss*?

A. At that time I usually spelled it with *ss*, but in the last four or five years I have generally spelled it with a single *s*.

Q. The initial on stub 45, S. H. D.: you have no reason to doubt its genuineness?

A. I think they are genuine.

Q. You had to look at that and see whether it was signed before you signed the other?

A. I had to look at it, of course. I would be likely to look at it, and I presume I did.

Q. Did you find any forgery in book number 3?

A. I have not followed this out carefully, to ascertain whether they are forgeries or not. I could not say. There were some of them. Most of them have all the appearance of being genuine. I presume they are genuine; but there is occasionally one that I have great doubts about. I have here a book in the handwriting of Dr. Rose, with a great many initial *D's*.

Q. Is that a book that had been submitted to the committee before?

A. It is not. It is one that I found only a few days ago.

Q. A book pertaining to the laboratory accounts?

A. Yes, sir.

Q. Where did you find it?

A. In the laboratory, in his desk. It contains a good many *D's* written under similar condition as the *D's* on this book are written.

Q. How do you know that Dr. Rose wrote these *D's*?

A. The residue of the book is in his handwriting.

Q. Is that [pointing to a specimen] Dr. Rose's handwriting?

A. I think it is, sir. I don't think there is any doubt about that.

Q. You are acquainted with his handwriting?

A. Yes, sir. I don't think there is any doubt about that. It is some sort of record of the laboratory with reference to the students pursuing a certain course of study.

The book referred to is designated "Index A." (See first exhibit.)

Witness—I would ask the committee, if it is proper for me to do so, to compare the initial *D's* as found in that book, of which there is no question that they are made by him, with the initials that were—

Q. Do you know other initials except in the year 1866-7?

A. There are some that I found, but I cannot refer to them now, precisely where they are; I think in a more recent book.

Q. If you will examine back and see whether there are any initial letters in that book which you think are not your genuine signature—

A. It would consume a good deal of time.

Q. Take the time; we are here to take time.

A. It would take me all night, and day, too.

Q. Have you never examined those stub-books?

A. I have not run through them carefully. They are no doubt genuine; I have every reason to suppose they are. I would say, for the last few years, Dr. Rose's letters *D*,—you can ascertain for yourself whether it is so or not,—appear to be almost identical with mine. They are nearly like mine, although his writing is very unlike mine. I am inclined to think the *D*'s in *number one* are all genuine.

Q. I understood you to say that upon this settlement once a month you took the vouchers and money from Dr. Rose, and when you went home you entered the amount in a book. Where is that book?

A. The book before you.

Q. Is this the book?

A. Yes, sir.

Q. Did you keep any other book of moneys received from Dr. Rose except this?

A. No, sir.

Q. Did you make any other entries of the amount?

A. No entries of the amount.

Q. Did you usually enter the names of students appearing upon the different certificates?

A. If I had the time, I entered the names. I depended upon the vouchers mainly, for I was so much employed that I did not have the time, and I did not enter them. I sometimes entered them in packages as they are in the wrappers,—the amount of the entire vouchers. That book represents the receipts, or should represent the receipts and disbursements of the laboratory.

Q. What kind of a pen did you usually use in writing?

A. Sometimes I used a gold pen, and more commonly a quill. The last five or six years I have been in the habit of using a gold pen.

Q. Did you keep a cash book showing the disbursements from the laboratory?

A. I did, sir.

Q. Where is that?

A. That is the book. On one side of it you will find the receipts, and on the other side the disbursements.

Q. Why did you keep this book in pencil after 1866?

A. It was a scratch book. Let me say that that book represents in the main all my transactions with the University, and up to the time when I kept it in pencil here, I kept it in ink. It was before the system of vouchers which is in vogue at the present time was fully adopted. When that was adopted I depended more upon the vouchers. This represented what I had received, and also what I had paid out.

Q. Where did you keep the vouchers from the time you received them of Dr. Rose.

A. They were kept in my desk. I have a pigeon hole where they were kept.

Q. Your desk, at what place?

A. At my house.

By Mr. Hinchman:

Q. Were those entries made at the time you received the money?

A. Yes. I usually took them home and entered them upon that book,—sometimes in bulk and sometimes in detail, as I had the time,—and placed them in this pigeon hole. They would remain there until I would make my annual report.

Q. They are all entered in that book, are they?

A. I suppose they are; though in making up my annual report, I would say that I usually make up that report from the vouchers themselves.

Q. Without reference to this book?

A. Without particular reference to that book. You will notice it is a rough memorandum, and it does not purport to be footed or corrected. I presume it will agree with my annual reports.

Q. Have you compared it to see whether it does or not?

A. I have in some cases. I would state with reference to that comparison that during the progress of the investigation by the Climie-Rynd committee, one of my reports in the hands of the Secretary in some way has been lost, misplaced, or got out of its place, and it was a source of a great deal of embarrassment to the committee in their examination. They were unable to find it, and they asked me what I could do towards enlightening them upon that report. I made out a report for them from that book, and they used it in all their work, I believe. After they had completed their investigation the true report came to light. It was found in the hands of the Steward, I believe. Mr. Climie is here, and if what I state is not correct he will correct me, I hope. It was found and compared with the manuscript furnished in that book, and they agreed, I believe. I have not compared them.

Q. Did you ever make more than one report for the same year?

A. No, sir; not until the last year. I made it quarterly the last year.

Q. When did you first discover there was any deficiency in the funds of the laboratory?

A. I first discovered the deficit in the laboratory on the 18th of October, 1875.

Q. Over what period of time does this deficiency take place?

A. It extends to March, 1866, I think.

Q. Have you examined the account prior to that to see if there has been any deficiency before?

A. Yes, sir.

Q. Did you find any?

A. No, sir, not what I call a deficiency. There is a little difference as to one year, whether it is a deficiency of \$5, or \$1.28. That is the only deficiency that I know that exists in any of the accounts of the laboratory until Dr. Rose took charge of the books.

Q. If you had compared the stubs and certificates with the ledger accounts would you not have detected any deficiency?

A. I presume I should, sir.

Q. Did each certificate or ticket represent one account or more than one?

A. Sometimes more than one and sometimes two or three, I suppose.

Q. During all this time do you know whether the moneys received from students for the purchase of chemicals had been turned over to you?

A. I supposed they had been turned over to me.

Q. Had you any means of knowing except what Dr. Rose told you?

A. Except that he furnished me the vouchers, for which he had received or reported to have received.

Q. Did you take any further pains to ascertain whether the money he had properly accounted for out of that?

A. I did not. I took his entries and his word. I did not suppose that he was making false entries or suppressing anything. Further, I had the utmost confidence in him.

Q. You did not discover that your initial had been improperly placed upon the stubs at all?

A. No, sir. My attention was not called to it. Never thought of it, as I always stated, my attention was first called to that by the chairman of the "Climie-Rynd committee," so called,—that is, first called to it in a way that led me to think that there was any truth in it or that it might be true.

Q. Did you assist in an examination of the accounts after your attention was called to it?

A. No, sir; not a minute examination. I submitted the books; I took some steps to submit them to experts,—to find experts. I heard of an expert in Chicago and telegraphed to get him here. Said to be a remarkable one, remarkably skilled in that way; but I did not succeed in getting him.

Q. Did you participate in the investigation of the laboratory accounts and alleged deficit?

A. I did so.

Q. Who assisted you?

A. Dr. Angell, Mr. Bennett, and to some extent, Mr. Knight, the cashier of the First National Bank.

Q. Were you authorized by the Board of Regents to make an investigation?

A. I was requested by the executive committee to assist in such examination.

Q. Were the parties authorized to make an investigation by the executive committee?

A. I don't know, I am sure, whether they had authority or not.

Q. Had you made an examination of the account prior to that?

A. I had, sir.

Q. With whom did you make that examination?

A. With Professor Prescott, for only one year.

Q. Did you invite Dr. Rose to participate in that examination?

A. I did not.

Q. Where were the vouchers at that time?

A. They were at my house.

Q. All of them?

A. All of that year.

Q. What year was that?

A. That was the year '74-5, the year which terminated a year ago last July.

Q. What was the amount of deficiency that year?

A. Some \$800 or \$1,000, I think.

Q. How did you first come to discover that there was anything wrong in these accounts?

A. On the evening of the 18th of October I was engaged with my son in mak-

ing up my annual report. In making up my annual report at this time, I would call up the vouchers, and as he writes very rapidly, I frequently have of late years very often got him to do my writing,—dictated to him what he writes. I was engaged in making up my annual report, he was using the pen; I would call off the vouchers making the list; and when we had completed the making of this report we entered into a sort of general random conversation, and this led to a question of this kind, which arose between us, as to what amount of chemicals was used by various students, how the amount of material used would compare with their proficiency as scholars. We would run through the names in that way, Mr. so and so: what is his bill? he is a good student? So and so is a very poor one: what is his bill? And we called the names in this form, perhaps called off a dozen. I called the name of Mr. Pantlind, I think, and we looked for his name, but could not find it on the list. We had no voucher of Mr. Pantlind, and then we called the name of Miss Hubbard. There were some intermediate questions, but we hit upon the name Miss Hubbard, well known to us both, a lady student, and we called her name to see what her bill was, and we could find no voucher for Miss Hubbard. Four names were called in that way. We hit upon four names where there was no voucher, no regular voucher had been returned to me. I said that is very curious, or something of the like, to my son; that is very singular; Rose must have made a mistake about that; Miss Hubbard was a young lady who would hardly go away without paying her account. Pantlind we well knew was able to pay his account,—a prompt, straight man. It is curious; he must have made a mistake. I took a memorandum of those four names. I did not suppose there was anything wrong at that time in it, but I thought it was a matter rather strange, of course I would inquire into it to see whether those parties had not paid, if they had not paid, and why they had not paid, as I frequently did make inquiries of that kind. The next day in the afternoon I took this memorandum, a little piece of paper, and went to the laboratory and took out the ledger for that year, had it at the desk, and was about looking it over, when Dr. Rose came along and says, "What are you looking for? can I assist you?" I will state in this connection that I rarely went to the ledger. I often went to the stub-book to see what accounts were settled, and rarely looked at the ledger. "Can I assist you in this?" he said. I picked up the memorandum and said, "Here are four names, Pantlind, Little, Hubbard, and one I cannot now recall; there are four of them that I did not find among my vouchers, I was looking to see if they had paid their accounts." He says to me: "Yes, they have paid their accounts, if you have not got the vouchers you ought to have them; they have paid their accounts." Says I, "I have not got the vouchers." "Well, then," he said, "they are due from me; you should have the vouchers and I should pay the money for them." I said, "Very well; are you sure?" or something like that, I think; "are you quite sure they have paid their accounts?" "Yes; I know they have paid their accounts," or something to that effect. I said, "Very well; look at their accounts and see how much their accounts are, and give me a memorandum of the amount of their accounts." He looked the matter up and gave me a memorandum of the indebtedness. We often passed check memorandum between us for any balance that might be due one way or the other. He gave me this memorandum: "Good for \$93.80. October 19th. P. B. ROSE. Little, \$57.95; Pantlind, \$17.05; Thomas, \$14.80, and Hubbard \$14.00; making \$103.80. Deposit \$10 out, which of course he had already paid me, making \$93.80." That is the original paper that was given me at that time in Dr. Rose's handwriting.

Q. This was the first; after the four names mentioned in that paper, did you find any other in that year?

A. At that time there was only one, sir. In this connection I would call the attention of the committee to one fact in reference to this paper. Dr. Rose stated: "If you have not their tickets you ought to have them: they have paid their account. Of these, Little, Pantlind, Thomas and Hubbard, only one of them had a ticket, for all the others were stubless accounts." He claims, by his own claim only, \$10 deposit money to be taken out from the whole, so that he could not have had three out of the four.

The above memorandum is marked "Exhibit B."

Q. Had none of the others ever had a stub?

A. No; I am not aware that they had. Mr. Tregaskis perhaps can answer that question more correctly than I can. I believe they are stubless accounts—all of them.

Q. What led you to further investigation?

A. There was something about the conduct of Dr. Rose in that connection, the willingness to acknowledge a debt of \$93, and something indescribable in his conduct, I hardly know what it was, that immediately excited my suspicion. I immediately went to Professor Prescott, who was in the room, and stated to him what had taken place. I said to Professor Prescott—

Q. I would not state the conversation. You have stated what had taken place: tell what else you did?

A. I requested Professor Prescott to assist me in the examination of the accounts of that year.

Q. Tell what you did with reference to the examination of the accounts of that year?

A. Professor Prescott consented to assist me in making that examination: said he would go with me that evening. The vouchers I had not submitted to the board, of course; I was preparing my report to submit to them; they were at my house. It was agreed that I could send for the books (this was in the latter part of the afternoon),—send the books to my house, and he was to come around after tea and assist me in that examination. I did procure the books. Mr. Congdon, the janitor of the library, took them to my house; and as he came out from my gate, having taken the books into my kitchen, delivered them in that was, Professor Prescott went in and they met. Immediately upon Prescott's coming in there, the servant girl from the kitchen brought the books into my office. We spent that evening and a good part of that night in examining the ledger of that year, and comparing it with the vouchers. I believe we completed our examination about three o'clock in the morning.

Q. What did you find?

A. We found most unquestionable evidence in our own minds that there was a deficiency in that year of upwards of \$600.

Q. What made up that deficiency?

A. There were accounts, the vouchers for which had not been delivered to me.

Q. Did you find any accounts that had no corresponding stubs?

A. Up to that time we had no knowledge of any accounts,—but we had not the stub-books with us—no knowledge of any accounts that had no stubs. It was some time after that before that fact became known, that there were accounts without stubs. I supposed that every account in the laboratory was settled by a proper voucher, and that the vouchers had been destroyed,—had not

been delivered to me,—and of course we knew nothing of “stubless” accounts,—had no means of knowing from any data that we had that year. In fact, when talking about that matter, we found after we got through as to how this transaction had been brought about,—how the money had been kept from me.

Q. What books did you have that evening to make your examination from?

A. Nothing but the ledger and the vouchers.

Q. The ledger for what year?

A. The ledger for '74-5.

Q. And the vouchers that had been returned to you?

A. The vouchers that had been returned to me.

Q. You said Dr. Rose had given you a due-bill or paper evidence of indebtedness before; what did he give you such papers for? How did he come to give them at different times before?

A. We would often settle and would be unable to make change, and I might give him an evidence of indebtedness or he me, and I would put it in my pocket, good for cash, and the next time we settled that would come in as so much cash, one way or the other, and at different times in settlement, sometimes the amount would be quite large, usually against him.

Q. Did he ever give you a due-bill of this kind of money that was short?

A. Yes, sir; sometimes quite large amounts.

Q. Did it excite your suspicion?

A. No, sir; never supposed it was wrong.

Q. Was he in the habit of using the money that was taken in the laboratory?

A. I have no knowledge of his using money then.

Q. You knew that he had been in the habit of not having sufficient amount to turn over to you?

A. Yes, sir; but I supposed he had left it at his house,—did not have it with him. I did not suppose he had used the money belonging to the laboratory.

Q. Did you make any further investigation than that you have just stated, afterwards, covering other years?

A. Yes, sir. Perhaps by keeping the chain I may go on and show what was done further?

Q. Yes.

A. Well, it then became a question to me as to what my duty was. If I say anything improper, correct me. I said to Dr. Prescott, as the evidence was beyond all question in the minds of both of us that there was a delinquency there, a shortage of \$600, I said to Professor Prescott: “This matter must never rest here; to-morrow morning, as soon as I can see the President, I shall report what has transpired here to-night to him officially. I cannot allow this thing to sleep a single hour.” And on the next morning I did so report to the President what we had found. I think the President came to my house, and looked over the memoranda and the reasons for the conclusion that we had reached. I stated the whole matter,—what was done and how the thing looked. I said to him: “From this time on I want you as the President of the University to understand that I act under your directions. I do not wish to assume any responsibility in this matter myself, but shall do whatever you approve of,—whatever you say, and nothing more. You are the proper head of the University, and the party to whom I am responsible, and I must act under your directions.” And I did so.

Q. What did you do?

A. It was agreed that it would not answer to charge Dr. Rose with the entire

delinquency; that it might result or would result in a question of simple veracity between us, as we had no knowledge up to that time that there was a "stubless" account in the whole list. It was understood then that I was to present to Dr. Rose two or three names on the next day or within a day or two, more or less.

Q. Did you suggest that to Dr. Angell, or he to you?

A. I really cannot say where the suggestion came from. I rather think I suggested it to the doctor, but I am not entirely positive about that. I think I did; it was understood that I was to submit two or three names to Dr. Rose and ask him what he had to say, if he had not failed to deliver those vouchers to me, and then at a later day, or another day, at intervals of one or more days, according to circumstances as they might develop, I was to submit other names to him, and to go on in that way submitting names.

Q. In accordance to that programme, on that day, or the next, I think it was that day in the afternoon, I took three or four. If you will hand me the long book I will explain it best by that. I submitted to him the name of Eddy for \$4.95, of Ruff for \$4.35. These names were taken from the delinquent list that Professor Prescott and myself had made up; Hyde \$15.25, Robeson \$13.95, Hardeman \$4.35. I think there were five names that I submitted to him. I asked him the simple question: "Have you not made a mistake with those names?" I did not give him the amount. He looked at them and said he didn't know,—perhaps he had. I requested him to look at the ledger and compare them, and report to me what he found upon that in reference to those accounts,—whether they had paid their accounts or not. He did look at the ledger, and in a few minutes reported to me that they had paid their accounts, and that he had made a mistake with them, also; and he gave me a memorandum of this as well, I think.

I have made a mistake, the names of Eddy, Ruff, and Wood were the names submitted at that time. There were three instead of five. He acknowledged them, and that closed our interview on that day. I think I asked him if he had the vouchers? He said he had not been able to find them; they had paid their account; he had no doubt he was indebted to me for them. On the 22d of October, the next day, I submitted two other names, Robeson and Hardeman, one for \$13.59, and one for \$4.35, not giving the amounts, however, and I asked him the same question. In the mean time I reported to Dr. Angell all these transactions. Whatever transpired between us was reported promptly to him. He examined those, and in a few minutes reported to me that he was indebted for those also; and at the same time he said, after submitting the names of Robeson and Hardeman, that he had a complete list of all the names of all the parties whose vouchers he had returned to me and the money for which he had paid. I said, "where is that list?" He said "I have it here;" of which this is a copy in Dr. Rose's own handwriting,—an exact copy embracing all the names that he claimed to have paid me, and surrendered the vouchers. I said, "Let me take this book and I will compare it with my vouchers and see how it compares." He consented to it, at least made no objection, and I took the book, and as I opened it I noticed the name of Grimwood (a name that occurs here in the same place that it did in the other book; the original book is in the hands of Dr. Rose),—the name Grimwood was there for \$61, among the accounts that were claimed to have been paid to me. I recognized the name Grimwood as one of the accounts that had not been paid me; I had no voucher for it, and I immediately also recognized another fact in connection

with the name Grimwood,—that it was apparently freshly written, and there was the same space there that is found in this book. It was apparently written with fresh ink. The other names had been written with ink that had become black; this was freshly written with blue ink that becomes black by exposure, and probably had not been written but a few moments. I took it immediately to Professor Prescott, told him what had taken place, showed him the list, and called his attention to the fact that the name Grimwood was freshly written, and I wished him to observe particularly to see whether it had not been put in there as an after-thought. His attention was called to that. I took the book over, also, to Dr. Angell within 20 minutes, and showed him the book and the writing, and called his attention to the fact that it was fresh ink, also. I then took it to my house, and we then compared it with the vouchers which I had in my possession, and compared in every particular except the name of Grimwood, Rex, Hagadorn and Williams,—L. O. Williams. Those I had no vouchers for. The next morning I reported the result of that comparison to Dr. Angell, and called his attention to the fact that I had no vouchers for those names. It was agreed that this should be done: I was to procure a book as near like the book which I had obtained from Dr. Rose as possible, which is this book,—from the bookstore. I was to ask him to copy that list into the book, and I was to say this to him, or something to this effect: “Now it is necessary,—we are getting into trouble in our ways of accounting between us,—and the better way is for us in the future to each have a book of this character and receipt to each other upon our respective books. You turn over a lot of vouchers to me and I will receipt to you for those vouchers, and you certify to me in turn that those constitute all the vouchers that you have in your possession up to that date.” This arrangement was assented to. I said: “We will start with this right here; you copy that list into this book, and I will receipt to you on your book, and you certify to me on this book, and we will exchange papers right here from this time.” Well, he sat down and copied it in his own handwriting. I called off the names, and he copied and compared, and when we had finished copying it he attached the names Little, Thomas, Pantlind, and Hubbard to the same list, and then wrote the following at the foot of the list:

“Ann Arbor, October 20th, 1875. This may certify that I have this day delivered the University receipt vouchers named in the above list, excepting the receipts of Little, Pantlind, Thomas, and Hubbard, which have been mislaid and lost, said vouchers covering the receipts of the laboratory from October 28th, 1874, to June 30th, 1875, to S. H. Douglas, Director of the Chemical Laboratory. P. B. ROSE.” That paper is in his handwriting.

By Mr. Newcomb:

Q. About what time in the year does your course of instruction commence?

A. The first of October.

Q. In 1866 and 1876, did it commence at that time?

A. Yes, sir. We have always commenced, I think, about the first of October, or as near to it as we can.

Q. You usually knew about the number in the class, did you not?

A. Yes, sir; we knew very nearly. Our laboratory has been full always on the first of October, or the first week in October.

Q. Could there have been \$400 taken out of the receipts within four days without your missing it?

A. I don't know but there could have been a \$1,000 taken out without my missing it.

Q. Is it probable?

A. The first day of October, or the first week in October there would frequently be—suppose there are 200 students applying, or 175, or 150, say; it would make \$1,500.

Q. You usually knew about the number in the class?

A. Yes, sir.

Q. You would naturally expect the money for it?

A. I would usually go the first part of the term, within 10 days or two weeks after the beginning of the term, I would go to settle with him; perhaps it may be three weeks after the beginning of the term; I am not particular about that. My custom was to settle with him the first Monday in the month; but the first part of the term, inasmuch as he was receiving a large amount of money, I usually went a little earlier.

Q. You think there could have been \$400 taken without your even suspecting it or missing it?

A. I don't see why there could not, possibly, and even probably.

DR. DOUGLAS RECALLED.

Witness.—Before proceeding to further examination, I would state that I think that I misapprehended the question of Dr. Newcomb. If he will repeat that question I will endeavor to answer it,—the question put to me just before the close last evening.

Mr. Newcomb.—My question was this: If there would be a delinquency of \$400 all occurring within four days, if you would not be liable to miss it?

Q. What nature of delinquency do you refer to?

A. I refer particularly to the stub money.

A. I supposed you did, and I misapprehended the question. I would answer in reference to that, that the number of students in attendance upon the laboratory is exceedingly irregular. I have here some statements showing the irregularity as to members. The laboratory is almost always full. These statements have been made up from reports that have been made to the Board of Regents, from year to year. In '66-7 the total number of students in the laboratory was 201; in '67-8 it was 155; in '68-9 it was 218. It will be observed from this that the number varied. They are coming and going every day. In the last part of the month of October, when I would naturally settle for the October deposits with Professor Rose, suppose the capacity of the laboratory were 120 students, I would naturally expect from Dr. Rose a \$10 deposit from each of those students; in other words, I would expect \$1,200 from him. That is what I ought to receive with certainty; he might have received \$2,000, if you please, and in this way on the first of October the students apply for places in the laboratory. An application is a deposit of \$10, subject to be withdrawn at the call of the students, if no accommodation can be given them in the laboratory, and it is not unfrequent for a larger number to make application for admission into the laboratory than can be accommodated; in fact it is generally the case. And this number that apply for admission into the laboratory depends upon circumstances,—circumstances like these: This course in the laboratory, until within a short time (and it is the case now with the collegiate students), is an entirely optional course. The students may take the instruction of the laboratory or not; they are at liberty to do it if they can have accommodation. This is particularly the case with the medical class. A professor makes some remark

in his lecture as to the necessity of studying chemistry, and studying it practically, calls attention to the facilities in the laboratory for instruction, and the importance of making application early. The result of such a remark from a professor will bring a large number of students into the laboratory for application for admission. That number, instead of being 120 may be 200. I know nothing of those circumstances whatever. If I get \$1,200 or thereabouts from him I have no reason to suppose that there is any more there, and hence if there are 200 students that make their application he would have received \$2,000, if you please. I merely supposed these numbers, whereas I receive, suppose he has kept a portion of this back in any way, but \$1,200,—the amount from the students who are engaged in the laboratory; and so it is through the year. The number is variable. I have here a tabulated statement of the number of students in each month of the year for several years. I do not know how many, but I happened to pick them up among my papers.

Q. Have you the month of September, 1867?

A. In September, 1867, there were no students in the laboratory. We do not open until the first of October.

Q. They make their application, do they not, before?

A. They make their application before; but unless I happen to call upon Dr. Rose, desire money, which is not commonly the case until about the last of September, I know nothing of the applications until I call upon him. The last of September they make their application, or the first of October. I do not call upon him in the regular course of things until about the first of November. The first Monday in the month is my regular time.

Q. I think you stated that there were 155 in the year 1867-8?

A. Yes, sir.

Q. Have you anything that would show the number at the first settlement, say about the first Monday in October?

A. Nothing unless these wrappers will show; and I would state further, in explanation of that, that until within the last year my duties have been excessively heavy, so that very much of the details of the laboratory I have not been able to attend to. Lecturing at 5 o'clock in the afternoon, and without any assistance to prepare for those lectures, I am necessarily away from the laboratory when students are there; so that my connection with the laboratory for some time past has been a general supervision to see that things are in proper order about the laboratory.

I would say further, in this connection, perhaps, that when at times I have been disappointed in the receipts of the laboratory, as the assistants will confirm me in this, I have frequently complained of them, that they did not exercise sufficient care in the dispensing of chemicals and in the preservation of them. The finances of the laboratory were not in a condition that they ought to be, and I have often found a good deal of fault with them on that account, attributing the falling off of receipts, where it fell short of my expectations, to that course, and not to any practices that seem to have been carried on.

I desire also to state another point, that is not very material, but still, perhaps, I ought to correct it, with reference to the order of events. I had no memoranda to guide me with reference to them, and hence I am not entirely certain, but I think I fell into this error. I think I stated that the list which Dr. Rose furnished me of the account that he had paid me was after the third installment of delinquent accounts,—the second or third had been submitted to him. I think it was in the submission of the *second* installment that this took

place. That is the correction about the order of those events; I am not entirely clear. I don't know that it is of any importance.

By Mr. Kelley :

Q. About the 6th of November, 1875, you obtained from Dr. Rose the certificate attached to the bottom of those accounts?

A. Yes, sir.

Q. Where were you and the doctor when that certificate was signed?

A. To make a connected history of that—

Q. You can probably answer that question, and we can get at it better. You know where you were at the time you signed it?

A. In the laboratory.

Q. At that time had you with any other person made any examination of the accounts except for the year 1874-5?

A. I had not, sir.

Q. As a matter of fact, did Dr. Rose, upon the day stated by this certificate, turn over the vouchers expressed by the list?

A. No, sir.

Q. Had they been turned over before to you?

A. No, sir.

Q. Did he turn them over after he had signed the certificate?

A. He did not.

Q. Had you ever received any vouchers corresponding to the names upon this book?

A. Let me see the list, if you please. No, sir; I think I have received none of those vouchers that appear. I can state what transpired at the time.

Q. In a moment we will have you state that. Do I understand you to say that you have received any vouchers for the items of account which are designated here from *A* to *B* from Dr. Rose?

A. I have no recollection of having received one of those vouchers. It is possible that he may have given me some. Most of them have no vouchers.

Q. You speak of the name Grimwood as having excited your suspicion in reference to the deficiency?

A. Yes, sir.

Q. Had you not received the voucher for that student prior to signing this certificate?

A. No, sir.

Q. And had you not returned it in your annual report?

A. The name of Grimwood?

Q. Yes.

A. I have no recollection of returning it.

Q. Have you ever seen the voucher of Grimwood?

A. I have no recollection of seeing it.

Q. Do you know whether it was in the package submitted at your annual report of that year?

A. I don't think it was. I looked upon it as a delinquent account, always. I have not examined in reference to it.

Q. After having obtained this certificate, did you present any more delinquent accounts to Dr. Rose?

A. I did, sir.

Q. After having obtained the certificate?

A. Yes,—no, sir; I did not.

Q. At the time of having presented these names, had yourself, Angell, or Walker had any examination of the account?

A. No, sir.

Q. Afterwards, did you, in company with others, make an examination of the laboratory accounts extending back to 1864?

A. I think we examined back as far as 1864. I am not positive.

Q. Did you make any lists of delinquent accounts covering that period?

A. They were made in my presence. I did not make them.

Q. Did you submit those to Dr. Rose at any time?

A. I did, sir.

Q. Were you present at the time?

A. Yes, sir.

Q. What did he say in regard to those delinquents?

A. Those that were submitted to him for four or five years; I cannot recollect. If I had the papers I could refer to them. It was understood by myself and others to have been approved after his corrections. He made the corrections. We made the list of several years and submitted them to him. We remained with him for hours, some of us,—generally either Dr. Angell or myself were with him, but more frequently myself, as I was familiar with the accounts. In the President's room they were submitted to him; the books and all the vouchers were placed in his hands. He reviewed them item by item, compared them with his book, made his memoranda of corrections, all that he claimed, and in one case certified to the accuracy of the statement of accounts. In several cases he copied them after he had made his corrections. He was not asked to certify to a single year, but it was understood on all hands that he acknowledged them to be correct after his making the corrections. That was his delinquent account that he was indebted to the University for.

Q. Who made the first investigation of the laboratory accounts?

A. Dr. Prescott and myself.

Q. Who made the next one?

A. Dr. Angell and myself.

Q. How did you come to make that examination?

A. The second examination?

Q. Yes.

A. As I stated last evening, the delinquent account that is represented upon that book was made out, after that was finished, and it was acknowledged by Dr. Rose, paid by Dr. Rose, Dr. Angell thought it would hardly answer not to go back of that year; and at his suggestion it was done.

Q. Were you authorized by the Board of Regents to make the investigation of the account?

A. Not at that time.

Q. Were you subsequently?

A. I was requested by the executive committee to assist in the examination.

Q. Who did they designate as parties to make that investigation?

A. I can state all that transpired in reference to that matter, and make a connected history.

Q. Name the persons they designated, and then give the history?

A. Mr. Knight, Treasurer of the Board and Cashier of the First National Bank; Mr. Bennett, Secretary; Dr. Angell and myself, were requested to make that examination and report the result to the executive committee.

Q. Now you may state what you did in reference to making that examination, and who participated in it?

A. The examination was made under these circumstances: The executive committee came here in the evening,—I don't remember the date; they called, with Dr. Angell, at my house; I explained to them at that time the nature of what had transpired, had an interview of perhaps an hour; explained the accounts, the nature of the delinquency, etc., and they left. I did not see them again until the next afternoon. About 4 o'clock in the afternoon, Dr. Angell, Mr. McGowan, and Mr. Walker called at my room in the laboratory to talk with me about those accounts. After some conversation as to what should be done, either Mr. McGowan or Mr. Walker made a remark something like this: "Now, somebody must examine these accounts. You are familiar with all the books, the mode of keeping the accounts, conversant with that, and we desire that you should assist the President, and Secretary Bennett, in that examination." In reply I said I was willing to do anything I could; if it was necessary for me to assist in that examination, I would do so; and then it was suggested by some one that Mr. Knight should also assist me in the examination. It was agreed that Mr. Knight should assist. They gave some instructions to me as to the settlement with Dr. Rose, instructing me to settle with him every day instead of once a month; and I consented to aid them in this examination, and the examination was commenced.

Q. Where was that examination carried on?

A. That examination was carried on in the President's room.

Q. If I understood you rightly, prior to this you and Dr. Angell had made a list of delinquents covering several years?

A. No, sir; only two years.

Q. What years?

A. The year that you have and the year preceding that. 1873-4 had been examined somewhat rudely,—enough to satisfy us that there were serious delinquencies in that year.

Q. Had those small index books been prepared before this time that you speak of, of McGowan and Walker calling upon you at the laboratory?

A. No, sir.

Q. Do you recollect whether that was the time McGowan and Walker obtained the deed from Dr. Rose?

A. I understood it was. This request to me was made after this deed had been given; but I never knew of the investigations that took place between Dr. Rose and McGowan and Walker.

Q. At the time McGowan and Walker called at your house, what books or papers belonging to the laboratory department did you have present?

A. I can't recollect. I had the vouchers for the year 1874-5. I don't think that I had the ledger. I had no stub-books. I am not entirely confident as to what books were there, but my impression is they were there.

Q. Did any other person participate in the examination of the accounts with yourself and Dr. Angell? If so, who?

A. Mr. Bennett and Mr. Knight.

Q. Anybody else?

A. No, sir. Dr. Rose was called in from time to time to make the corrections.

Q. Any member of the Board of Regents present during part of the time?

A. I have no recollection now of their being present; I think not.

Q. Do you recollect whether Regent Gilbert was present at any time?

A. Not at the examinations made at that time.

Q. I am speaking of the time you and Dr. Rose made the examination.

A. At a later period he was present.

Q. At a later period of the same examination?

A. When we had completed our work the executive committee were called by Dr. Angell, and our work was then reviewed by the members of the Executive Committee, Mr. E. C. Walker and Mr. Gilbert;—the Executive Committee or Finance Committee, I am not certain which.

Q. Did you at that examination produce all the vouchers, papers, books, and records pertaining to the laboratory department accounts?

A. I am not aware that anything was withheld from them. I think everything was before them.

Q. You produced all that you had in your possession?

A. With the exception of the account book which you have here. That was not before them; there was no necessity for it.

Q. Did they ask you for all the books you had pertaining to the laboratory department?

A. I presume so. I have no distinct recollection whether they did or not; I presume they did.

Q. Did you find the wrappers that accompanied the vouchers at that investigation?

A. We did, sir.

Q. Were they examined by yourself and Dr. Angell?

A. They were examined by myself and Dr. Angell; and one entire year was examined by Mr. Knight. They were examined by Mr. Bennett more or less. He was always about there; and they were also examined by Mr. E. C. Walker, and by Mr. Gilbert in detail.

Q. Did you make a report to the Board of Regents?

A. No, sir.

Q. Did the first investigating parties make a report to the Board of Regents?

A. They made a report.

Q. Were you present, and did you participate in the second examination, known as the Climie committee?

A. I was present a portion of the time, in and out of the room. It was going on for a long time. It was my habit, in leaving the laboratory in the afternoon, to go by the way of Mr. Bennett's office, where they were at work. I asked them if I could render them any service, usually. It was understood pretty well that I would come that way and explain anything that they desired to have explained.

Q. Were the wrappers that you refer to found and presented to this Climie committee?

A. I suppose they were.

Q. Do you know that they were?

A. Yes, they were there,—the wrappers of one year were there. The other wrappers I do not know about.

Q. Do you know anything about the history of where the 40 wrappers came from?

A. Yes, sir.

Q. Do you recollect whether the Climie committee had those wrappers to consider in making up their report?

A. I don't know whether they had or not. I think it not unlikely that they did not have them.

Q. Did they have the private book which you have presented here now?

A. I think not; I won't be positive about that.

Q. Do I understand you it was your custom when receiving money from Dr. Rose, to make the entries in your private book in aggregate or in items?

A. I did, sir; in aggregate and items.

Q. When you received deposit money from Dr. Rose, would you place that upon your private record that you kept?

A. No, sir.

Q. Separate that from your money?

A. No, sir; it did not go on to the private book at all. I would accept that deposit money. I did not understand the purport of the question.

Q. If you received the deposit money at the first of the month, there would be some tickets or some accounts on which you would receive none of the ledger sales at that time, would there not? Supposing that prior to your going to the laboratory to settle with Dr. Rose, 10 students had made a deposit of \$10 each; if you went in the next day you would receive that money?

A. If I called for it. If they had no vouchers of settlement I would receive only the deposit money.

Q. When you went back the next month, if those students had closed up their accounts in the laboratory department and had paid in the balance for chemicals that they had drawn over and above \$10, would you receive that on the voucher?

A. Yes, sir.

Q. But would that appear upon the book when you made the entry, if you used the student's name in making the entry?

A. The face of the voucher would appear upon my book. If a man had deposited \$10, and had subsequently paid \$5 more and settled his account, it would appear upon my books as \$15.

Q. And if you had the student's name in making that entry it would simply show his name in the aggregate \$15?

A. Yes, sir.

Q. Now, then, there would be a month there for the interval you would have no record of the deposit money?

A. I would have no record except the stub.

Q. Except the stub-book which was kept by Dr. Rose?

A. Yes, sir.

Q. Can you tell the committee the amount of deficiency found in '66-7 from your investigation with Dr. Angell?

A. I cannot remember. The documents are here. I would not pretend to state. I don't know but they went back as far as that even, '66-7. I have nothing to refer to.

Q. Can you refer to the report of the first committee, composed of Dr. Angell and yourself?

A. There was no committee. We never made any formal report. These papers and documents that have been referred to in the other examinations are all there is. That constitutes a report; that is all there is of it.

Q. Did you ever submit a formal report to the Board of Regents, of that investigation?

A. No, sir; nor to the executive committee, nor to the finance committee, if I understand your question. We simply laid it before them in an informal way. We never organized as a committee; never supposed ourselves as a real committee; in an informal way we submitted the results of our work.

Q. Was not the report of yourself and Dr. Angell treated as a report by the Board of Regents?

A. I believe in their report it is mentioned as a report, but I don't know what authority they had.

Q. At the time that you presented the first four names to Dr. Rose, did he admit the withholding of the money represented by the accounts?

A. He did, sir.

Q. Did he say anything about having paid it to you?

A. No, sir; he said I should have the vouchers and the money. If I had not, he would pay them.

Q. When you submitted the other names the day following or so, did he raise any objection to paying for those?

A. No, sir.

Q. Did he admit having the money?

A. Yes, sir.

Q. When you presented the list of names designated between *A* and *B* upon this book, did he raise any objection to paying that amount?

A. I didn't present that list.

Q. Who presented that list?

A. That list was furnished by himself. If you will allow me, I will state the circumstances.

Q. Did he pay the amount represented upon this book between *A* and *B* to you?

A. He did, sir.

Q. Did he raise any objection to paying it?

A. Not the least.

Q. Did he make any claims that those accounts had been paid you before?

A. No, sir; he previously said that they had not been paid to me.

Q. To you?

A. Yes, sir. But a small portion of them are stub accounts, and in accounting, they could not have been paid to me.

Q. Are you sure that none of the accounts represented between the points designated, from *A* to *B*, have been accounted for by you to the Regents?

A. I don't think they have been accounted for. I have never carefully reviewed that list. But I have no knowledge.

Q. Did you make such an examination as satisfies you that you had not returned any of the vouchers designated by these names between *A* and *B*?

A. I have not with reference to that list. It was a list corresponding with the list that was made by Professor Prescott and myself. That was considered as correct, and we did not review it carefully.

Q. Do you know but what he has surrendered you the vouchers for every account between those two points?

A. I know he has not.

Q. You know he has not?

A. Yes, sir.

Q. You don't know but what he may have surrendered some of the vouchers, and you accounted for them in your annual report?

A. I say I have not reviewed the entire list to ascertain item by item; but it corresponds so nearly, and perhaps almost exactly with the list that Professor Prescott made out and myself, that it was not considered worth while to review it. Taken as it is, it is on the face of the list an acknowledgment of indebtedness.

Q. Can you give the time in which Dr. Rose's salary was increased from time to time?

A. I have no memoranda, which I think of, that will enable me to give it.

Q. Have you carefully examined the report of the Climie committee?

A. Well, yes; I have looked at it with some care.

Q. Were you required by Mr. Climie to assist the committee with all the books, papers, and documents, public and private, that you had in your possession appertaining to that department?

A. No, sir. I don't recollect that I was asked to furnish the private books or records. I don't know that such a request was made. The records were furnished.

Q. Did you make any statement to them with reference to finding the records where you had entered the amount of cash received or not?

A. I made such a statement to them. When it was made I do not know; but as I stated last evening, one of my reports had been mislaid or lost while in the possession of the Secretary.

Q. For what year are they?

A. I don't recollect the year.

Q. Can you give the exact amount of money received in any one year from Dr. Rose?

A. Yes, sir; I can give it every year.

Q. Give one year?

A. If my account is right, in the year 1867, Dr. Rose turned over to me 247 vouchers, covering \$4,090.52.

Q. From what record do you ascertain that fact?

A. From the vouchers themselves.

Q. Did you have any other record from which you ascertain it?

A. The book that has been referred to will probably show that fact.

Q. Independent of the vouchers could you ascertain?

A. Ascertain from this book that has been submitted to you. As I said before, I duplicated my report in that book, and it was a correct duplicate when the original was found.

Q. From that book you could have ascertained at any time the amount of money you had received from Dr. Rose?

A. I suppose I could.

Q. The entries upon that book were made at the time they were dated?

A. Yes, sir?

Q. Where were the vouchers kept from the time they were turned over to you by Dr. Rose until you made that annual statement?

A. They were kept in my house.

Q. Has any other person access to those vouchers?

A. Yes. They were kept in the desk or pigeon-holes with various papers,—quite a large desk. One of those pigeon-holes was appropriated to those papers alone.

Q. Did you receive any moneys from Dr. Rose that were not represented by vouchers?

A. Very rarely.

Q. Can you turn to a single instance and show us the record?

A. I don't know as I could point out without careful observation,—a few isolated cases, a very few in the whole period.

Q. Can you recollect any case in which you received money from other sources than deposit money of students, or sales of chemicals to students by Dr. Rose?

A. Yes, sir.

Q. State it.

A. On the final settlement when he made his last payment upon that delinquent list of '74-5, he paid me, but I held his note, my recollection is for between \$200 and \$300.

Q. What was that note given for?

A. It was one of those notes that often pass between us in our settlements. He was not prepared to meet his obligation, and he often gave me a memorandum of that kind. This was a regular note, and I had carried it some time,—I don't recollect how long exactly,—as an accommodation to him,—a loan if you please.

Q. Was that note or paper for money that he had appropriated to his own use out of the laboratory department?

A. I don't know; it was made in one of our settlements between us.

Q. What year was that in?

A. I think the last year,—'74-5.

Q. Did you ever receive any money from Dr. Rose that was derived from the sale of chemicals outside of any student?

A. Yes, sir.

Q. What record have you of such receipts?

A. My accounts will show such receipts.

Q. Please take that book and refer to some such entries.

A. I see here in 1865-6 that I credit the University in one place \$3 for laboratory certificates. I presume that was received from him. In another place I credit the University \$1. I presume that was received from him; and in another place a dollar. Various credits of that kind.

Q. Was it Dr. Rose that you received these amounts from?

A. Perhaps I am mistaken as to receiving that from Dr. Rose. It is so rare a thing to receive anything of that kind that it is not easy to point it out. You mean receipts without vouchers?

A. Yes.

A. I have here a statement of the amount of receipts of the laboratory outside of regular vouchers, and the source from which they were received, and from whom they were received; but there may be two or three accounts in the whole statement that I received from Dr. Rose,—two or three amounts without vouchers; but those receipts were back several years. Of late, all receipts from Dr. Rose, of whatever name or nature, were accompanied by vouchers; and when he had not the voucher of the individual himself, he made his own voucher; and you will find in the files of every year vouchers that he made himself. Hewould certify to the amount himself and pay me that amount, and it was upon those certified statements that I credited the University.

Q. Take your annual returns to the Board of Regents; do they show any money, or account for any money, except that for which there are accompanying vouchers,—what is known as "forfeited accounts?"

A. My various accounts that have been rendered to the University show all the money that I have received.

Q. Does it show any other money except that accompanying the report of the vouchers, and with those designated as "forfeited accounts?" If so, can you take your reports and state from what source such other moneys are received?

A. Yes, sir.

Q. Please refer to the reports?

A. In the report of 1870 I received in the aggregate from the University warrants for \$1,750.

Q. How much did you receive from Dr. Rose?

A. I received from Dr. Rose that year \$3,649.87.

Q. Are you reading from your annual report to the Board of Regents?

A. I am reading from an abstract of those annual reports.

Q. Will you now take your report for 1870 and state the amount of money received from Dr. Rose for the year 1869-70?

A. Count the items,—do you wish me?

Q. The total.

A. I have got the total right here,—\$3,649.87.

Q. Does that appear upon your annual report?

A. Yes, sir.

Q. What other moneys appeared as having been received by you from the laboratory department for that year?

A. I think there is an item here of H. C. Markham, of \$1,855. I don't recollect the circumstances pertaining to that. There may be a voucher; I would not say.

Q. Can you ascertain in your report whether there was any money turned over to you by Dr. Rose, that was not derived from students, or from sales of chemicals and apparatus to the students?

A. Never turned over any money except it is derived from students or sales of apparatus.

Q. Did he ever turn over any money to you for which you gave him receipts outside of the vouchers or the letter *D* with red line upon the stub?

A. He has occasionally paid me money in this way, and I cannot recollect any particular instance. I usually went in the afternoon to settle with him. If I was in want of money to remit for bills, if he had not time to settle or to figure up his account, he would pay me on account, and then it would be adjusted when we would figure up at the end of the month.

Q. For such sums you were given a receipt?

A. I think the kind of paper that would pass between us in the transaction of such business. Suppose he paid me \$100 in that way: he would say, "good for \$100," and when we settled, that \$100 would come into the settlement,—or whatever sum it might be.

Q. At a subsequent settlement he would produce that paper and you would receive it as \$100?

A. As \$100.

Q. Did he ever turn over to you any checks, drafts, or other representations of money for which you receipted to him?

A. I have no recollection of any such transactions. He has sometimes, very rarely, however, paid me a portion of what he would pay me in a check; but our settlements have generally been made in currency. He paid me in currency.

Q. Did you have any entry upon that book of money received in the way that you have just mentioned, at a time when any settlement was had between you and Rose?

A. I have no entry of that.

Q. Did you keep a cash book upon which you entered all the cash received, and all disbursed?

A. I keep my private book—

Q. Did you keep a cash book or cash account in your business?

A. I keep a cash account.

Q. Did you have a bank account during the years '66 to '74-5?

A. I presume I did.

Q. At what place?

A. Probably at the First National Bank; I don't remember.

Q. In Ann Arbor?

A. Yes, sir.

Q. Did you have any bank account in Detroit?

A. No, sir. I had also a bank account with Duncan & Sherman, in New York.

Q. Did you have a bank account with Duncan & Sherman, in New York, in behalf of the University?

A. No, sir.

Q. How did you usually pay New York bills?

A. I paid them up to the time of the Duncan & Sherman failure in drafts on Duncan & Sherman,—my own drafts.

Q. Bills for the laboratory?

A. Yes, sir.

Q. Did you draw upon your account in New York to pay laboratory bills?

A. Yes, sir.

Q. Did you charge the laboratory here in your books for the amount which you credit yourself?

A. I charged them to the University.

Q. Credited your cash account here?

A. Such transactions would not appear in my cash account.

Q. Could you keep a correct set of books for yourself without such entries appearing?

A. I think my books are tolerably correct.

Q. Could you keep a proper account of these transactions without their appearing in your book?

A. It appeared in this University book.

Q. Could you keep a correct set of books for yourself without such entries occurring?

A. The disbursements—

Q. Answer that question if you please,—if you can keep a correct set of books for yourself without such entries appearing?

A. No, sir; such entries do appear. I have not said they do not.

Q. What does appear in this book, which you claim to be a laboratory book, in reference to the transactions just mentioned?

A. They would be entered on the debtor side of the account. For example, in '68 I remitted to Boston for the University, to E. S. Ritchie & Sons, \$136.50.

Q. How did you remit that amount?

A. May have remitted it by draft on Duncan & Sherman, if I kept an account with Duncan & Sherman in New York.

Q. A draft against your private funds in New York?

A. Yes, sir.

Q. What entry would you make in your own books?

A. No entry would be made of such transactions in my private book.

Q. Did you keep an account between yourself and the University as a private individual?

A. I just kept this account.

Q. I am speaking now in your private capacity?

A. No, sir.

Q. How could you tell how much the University owed you at any time?

A. I could tell very quickly.

Q. How?

A. By balancing this account and taking the account of the stubs, outstanding stubs, computing the two columns on this book, and taking the account of the outstanding stubs?

Q. Is that the only means you had of ascertaining?

A. That is the means that I did ascertain; show it to a penny.

Q. Do you keep a set of books in which you have a record of your own business transactions since 1866?

A. Yes, sir; I have always kept a set of books.

Q. Have you any objections to allowing the committee to examine those books out of session?

A. I don't know that I have; but it is not exactly the thing to lay one's private affairs before the public.

Q. Do I understand that you object to allowing this committee to examine those books out of public session, and in your presence if you please?

A. No, sir; I don't know that I have an objection to it as a confidential matter. I do not suppose the committee would make any improper use of them. I do not want to spread them before the public. I don't think any man would like to do that.

Q. What are those certificates you refer to?

A. Until within the last four years, or five years, the Board of Regents, previous to that, caused a plate to be prepared and impressions made from that plate,—a certificate of the attendance upon the laboratory,—impressions to be made upon that plate upon parchment. They instructed me to charge one dollar each for those parchments.

Q. Did all students take them?

A. No, sir; it was optional with the students to take them or not. If they took them they were filled up, and they paid for the parchment.

Q. What proportion of students would take them?

A. A small proportion of them comparatively,—only when they fulfilled certain requirements were they allowed to take them, and those credits will appear in my accounts,—annual statements of accounts without vouchers. For example, I have before me the account of '68-9. I received in that year \$30 for certificates. That was credited to the University.

Q. Was that money which you collected directly?

A. Yes, sir. It did not go on to the laboratory books at all, but was paid to me. I could give other instances of like nature, in running over the books, probably.

Q. Was that \$30 entered as one matter?

A. In this particular case it happened to be entered as one item. I kept a memorandum of those certificates. I turn again to another page in my account, "certificates \$2," one item; "certificates \$1;" "certificates \$2;" I turn to another page and I find an entry of "certificate \$1;" "certificates \$8;" certificates \$2."

I would say with reference to the payment of New York bills, the drafts which I made for the payment of these bills in New York, Boston, and Philadelphia, upon Duncan & Sherman, are, I believe, all in the possession of the

Board, showing the amount paid remitted at the time, and should correspond with the bills which were paid. The original drafts that came back to me from Duncan & Sherman in my regular bank account would be found in your possession. They were turned over to the committee as further evidence than the receipts from the books, that this was the true amount paid them.

Q. Did you keep the University money separate from your own individual money?

A. I did not, for the reason that almost invariably,—you might say scarcely an exception,—I have always been in advance to the laboratory.

Q. How could you ascertain that fact?

A. By footing my accounts.

Q. What accounts?

A. These accounts on this book.

Q. And in your own books you had no account with the University?

A. No, sir.

Q. How did you balance up your cash?

A. I could balance up my cash—I would bring in here and exhibit to the committee cash balances that I have made from time to time, and show how I did balance my cash. I don't know of any better way.

Q. Have you paid any of those return drafts on bills purchased as vouchers to the University in settlement for your disbursements?

A. The vouchers for my disbursements—I have usually put in my vouchers, I have put in the receipts,—general receipts from the parties to whom I remitted.

Q. From whom you purchased goods?

A. From whom I purchased goods. If I remitted \$500, for example, to Rohrbeck & Goebeler I would take their receipt for the \$500 in full of account to date; but the reason why this done, was because it was a matter of convenience to have the original bill at the laboratory and see what the articles cost. Those original bills are all in the possession of the Board,—should be in the files of the Secretary if they are not here,—and will show just what constitute those receipts.

Q. Had you been engaged in any kind of business during the past five years?

A. I am administrator, executor, and trustee for two estates.

Q. Did you keep moneys received from those estates separate from your other money?

A. No, sir. The same difficulty in keeping that separate existed there as it exists here.

Q. Were you engaged in any business on your own account outside of your professional business in the laboratory during the past five or eight years?

A. No, sir; hardly be said to be engaged in any other business.

Q. Had you any other income from that received from your employment in the University?

Q. Yes.

Q. Did you keep a separate account of such income from your University income?

A. Yes, sir; I did. My private books will show when the committee examine them,—they will show every item of income, no matter how small, and source from which it was received,—original entries.

Q. Why should not your private books show the amount of cash which you received from the laboratory?

A. I don't know that I can illustrate it in any better way than with the pa-

per which I have in my hand. A few days ago I made up my cash account (you have called for that). That cash account shows as follows: I have \$295.24 in the bank; I have \$19.10 in my pocket; there was due from the laboratory \$2,268.24; there was due me from the estate of Henry W. Wells \$1,843.56; there was due me from the estate of Dr. Pitcher \$442.40; there was due from Duncan, Sherman & Co. \$22.98. Those are cash items in my account. Those various items constitute advances that I have made for these parties. Now, on the other hand, there was—

Q. Just wait a moment. Supposing that you had received from the laboratory the amount that you say there was due you. What entry would appear in your cash account?

A. The laboratory book will show the amount.

Q. What entry would appear on the cash account?

A. On my private cash account it would not appear at all.

Q. Suppose you had received from the estate of Wells \$300, or whatever amount was due you, what entry would appear in your cash account?

A. The entry would appear in the books of account of the "estate of Wells."

Q. What would appear in your private account?

A. Nothing in my private account at all.

Q. It would not go into your cash account at all?

A. No, sir.

Q. How could you tell the amount of cash you had?

A. The very way that I can point out to you—

Q. Tell me how you could tell at any time how much cash you had.

A. I would figure up my cash items, what was due from the University and the estate of Mr. Wells, and from that I would deduct these various amounts, if I owed anything.

Q. I am asking you, after you received this money from these parties,—you say you would figure it up,—how much was due from the estate of Wells. Suppose that was paid to you: would you make any entry of it at all upon your books?

A. No, sir; the books of the estate of Mr. Wells would show that fact that that was paid. It was immaterial whether that entry was made on those books or made on my private books.

Q. You credit the account of the "estate of Wells" \$250 when it was paid you?

A. Yes, sir.

Q. You would charge it to cash in your own books?

A. No, sir; it would not enter upon my books at all.

Q. Did you keep a bank book during the time?

A. I did, sir.

Q. Have you preserved your bank books?

A. I have.

Q. Do they show all the money you deposited in the bank during the past eight years?

A. I presume they do. I don't know how far they go back,—probably for 15 years. They are at the disposal of the committee if they wish them.

By Mr. Hinchman:

Q. You had control of all the expenditures for the laboratory, I believe?

A. Yes, sir.

Q. And the payments?

A. Paid all the bills.

Q. Did you contract any indebtedness without being in funds, for the laboratory?

A. Yes, sir,—almost invariably. The purchases were made in the fall. Cash purchases were made in the summer vacation, and I have invariably had to advance the money to pay those bills, and have advanced it, as the accounts will show, waiting until such time as the laboratory were in funds to pay me back.

Q. Wasn't it possible to keep the expenditures within the receipts, so that the laboratory would not be indebted to you?

A. We have always endeavored to keep it within the receipts. That has been the purpose.

Q. You claim, I think, that the laboratory has been always profitable?

A. Yes, sir.

Q. If it was profitable should it not show a balance of cash on hand?

A. The wants of the laboratory have been in its various stages of enlargement and progress, and we purchase such as to meet this demand for increase, and it required all the means.

Q. You enlarged and increased, then, faster than the income warranted?

A. Faster than the income warranted. Endeavored to keep within the income, but it so happens at the present time that the laboratory is quite largely in debt.

I think since organization of the laboratory (you asked me about the earnings of the laboratory), from an inventory made by the Climie-Rynd committee,—the inventory of permanent stock on hand, which inventory, I believe, is in the possession of this committee, or some one,—at the date of the inventory the actual net profits of the laboratory since its organization is about \$30,000.

Q. The inventory you state to be about \$30,000?

A. Yes, sir; the inventory, or net profit.

Q. Which?

A. That is the net profit. That amount has been purchased over and above the expenses of the laboratory, and is stock now on hand in the laboratory fixtures, purchases, etc.,—property that is now there, as shown by the invoice, that has been purchased out of the receipts of the laboratory.

By Mr. Taylor:

Q. What proportion of that stock on hand will represent the actual profit of the laboratory?

A. I suppose that entire stock will represent the profits.

Q. Were any appropriations made in the early history of the laboratory, by the Regents, for the purchase of chemicals?

A. Very small appropriations; and I think in making that inventory, if my memory serves me, whatever appropriations had been made were discounted from that inventory. The design was to ascertain as near as possible the actual profits of the laboratory.

Q. The balance of the account between you and the University was always under your control? You could make it on one side or the other according as you purchased?

A. Yes, sir. I have here an invoice made last summer. We are in the habit of making inventories regularly of the floating stock of the laboratory, such as chemicals and stock that is disposed of to students,—stock for sale to students.

Q. How often are those made?

A. Every year. That floating stock of chemicals, retorts, test tubes, and that class of goods to be disposed of to students, invoiced, I think, at \$8,000.

Q. Nothing included in that paid for by warrant from the Regents?

A. No, sir. This is a rough manuscript which was made in the laboratory. This invoice was taken [before] a new stock was purchased, before getting in the supply for the fall. It was made alphabetically as a matter of convenience. I will say in reference to that invoice, if I am allowed to explain that, the invoice is taken at the lowest price; we do not refer to the bills; are not in the habit of making it in that way, but at the lowest price of the dealers, and probably the actual invoice is \$8,000; it might be probably \$6,000 at first cost.

Q. What were those lists? the wholesale list price?

A. Yes, sir.

Q. Without any discount at all?

A. Without any discount. I suppose, as near as I can ascertain in the purchases of the laboratory, they would denote the discount that I have had from those dealers, which would probably be about 20 per cent. from the list,—sometimes a little more and sometimes perhaps a little less.

Q. Are they stated in the bills?

A. No, sir.

Q. How was that discount arrived at?

A. The statement upon the bills is net as far as purchases go. I never have paid any attention to the lists. I would say with reference to the purchase, the manner in which these purchases are made,—if it is proper to state it here,—I have usually gone to New York during the summer vacation, and made those purchases in person. Before leaving here I would have usually two lists prepared of the wants of the laboratory of the staple articles needed, and as most of our dealings were with two houses,—the only two houses in New York that deal in that class of goods that we require,—I would submit those lists to them. I would usually spend the first day or so in looking over the stock and seeing what there was new in those two places, Rohrbeck & Goebeler's, and E. B. Benjamin's. I would then go to Rohrbeck & Goebeler and say to them something like this: "I am now prepared for business (the usual expression I used with them), here is a list of my wants of staple articles; I will leave this with you, and to-morrow I will call at such an hour, and you will fix your price. I will call for it to-morrow, and you will have it ready,—what will you furnish those articles for?" I would go to Mr. Benjamin and submit the same list to him and require of him the same. The next day I would call upon these parties and get these prices. I would review those prices, and order from one or the other house as I found it to the advantage of the University, buying the cheapest and the best I could.

Q. You knew it was customary for them to make discounts on the wholesale lists as well as the retail?

A. I don't know that they have any retail list. They have a catalogue price. They do not usually make discounts. I think that Columbia College, Yale College, and the University of Michigan, I am told by them, are the only parties, they have always told me, to whom they made discounts from their lists in their ordinary dealing; but to union schools and small institutions, where the purchases are small, they charge the list price.

Q. How was that discount calculated? How did you calculate the discount?

A. They fixed their price net. They did not make a discount.

Q. Did you ever compare their prices as charged to you with the foreign price lists?

A. Yes, sir.

Q. How did you find them to compare?

A. Well, sir, I think they are very considerably higher, and I have often urged upon the Board the importance of purchasing abroad instead of purchasing in New York; and a year ago last summer I made a random order of \$600 or \$800 from Berlin, imported direct.

Q. What was the percentage of difference?

A. I think the gain was quite large,—probably 20 per cent.

Q. Would it not go 50 or 60?

A. Perhaps it would, I have not compared very closely, but there is a very great difference; but on the other hand there is a great risk in buying of those parties. You frequently get articles that are not of the quality required, and are not what we order.

Q. In importing you mean?

A. Yes. It is not as easy to return goods to the parties. With Benjamin and Rohrbeck & Goebler it has been my practice or understanding, if anything came to me in an unsatisfactory condition, that it was to go back; and I frequently sent goods back.

By Mr. Kelley:

Q. Did I understand that those houses had published price lists?

A. Yes, sir.

Q. Are those the lists from which discount was made?

A. No, sir; I said I purchased without reference to those lists. They fixed their prices.

Q. I understood you to say that for the University and some other institutions these two parties made a discount?

A. It is not made in that way.

Q. I understood you to say that they did make a discount upon sales; is that so?

A. Yes, sir; they sell less than the list. It don't appear in the bill as discount.

Q. Would that discount be shown by a comparison of the bill which you purchased with the invoice of their published price list?

A. Yes, sir.

Q. That is, it would show the discount?

A. I presume it would.

Q. The deduction was made at the time of the purchase?

A. Yes, sir.

Q. The invoice would show the amount less than the catalogue prices?

A. I don't know that we understand each other.

Q. Your purchases will show the amount less than the list price if the discount was made?

A. Yes, sir.

Q. Did you receive any commission yourself for purchases made at those houses?

A. Never, sir; never received any consideration whatever.

Q. Have you purchased of any other houses besides the two you have mentioned?

A. Yes, sir; I have occasionally purchased from Powers & Weightman; made quite a bill with them a year ago last summer.

Q. Did they make any discount from the price list?

A. I dealt with them just the same as I dealt with the others. Told them of my wants and asked them to make out their prices,—what they would fill the order for.

Q. Does this house of Powers & Weightman have a catalogue price list?

A. Yes, sir.

Q. Do they discount that price list any in making the sales to you?

A. I never compared it with their printed catalogue.

Q. Did you purchase without ascertaining whether you were paying more than their published catalogue lists?

A. I purchased by bids. I asked them to bid for those goods.

Q. Then you had correspondence with Powers & Weightman?

A. I saw them personally.

Q. Did they make a written proposal for furnishing the chemicals?

A. Yes, sir.

Q. Have you that proposal?

A. I doubt whether I have. I don't know.

Q. Did you have any correspondence with them upon the subject whatever?

A. I think not.

Q. Did you have any correspondence with Rohrbeck & Goebeler by letter?

A. I did.

Q. With Benjamin?

A. Yes, sir.

Q. Did you keep a letter book in which you kept copies?

A. Yes, sir.

Q. Have you got those books now?

A. Yes, sir.

Q. In reference to the purchase of chemicals?

A. Yes, sir. I think every letter that I have written to Rohrbeck & Goebeler, Benjamin, or any other of those parties. The copies of those letters as taken from my letter book are in the possession of either the board or in the possession of the Secretary of the Board.

By Mr. Hinchman:

Q. Did you buy of Powers & Weightman chemically pure goods?

A. I bought the best goods they had. They did not claim them to be chemically pure.

Q. They have a class of goods that they mark "chemically pure" on the catalogue?

A. They are not chemically pure in the strict chemical sense,—in the laboratory sense, you may say,—and they said they were not.

Q. What were those goods,—acids?

A. Acids, ammonia. They made a very good article of ammonia, and of nitrate of silver they made a good article,—sufficiently pure for our purpose. One or two other articles were sufficiently pure for our purpose, as Mr. Johnson stated yesterday. The bill, I think,—which was \$600 or \$800,—that I purchased from Powers & Weightman, they were excellent goods in the main; still we met with so much embarrassment in the use of them that I have not purchased of them since.

Q. I thought it was \$400?

A. It may be \$400; I have forgotten the amount.

Q. Do you use imported acids, usually?

A. Yes, sir.

Q. Sulphuric and muriatic?

A. Sulphuric and muriatic. We use the imported articles. Charles White & Co., whom you know, of course, by reputation, a few years ago made chemically pure acids, and other chemicals, and they were good articles; but they have ceased to manufacture those articles, for the reason that they found it unprofitable. We have occasionally used White's acids, but the chemically pure acids cannot be obtained manufactured by White at the present time.

Q. Is it absolutely necessary to have those acids chemically pure?

A. For most purposes it is absolutely necessary. It is a source of constant embarrassment to us to obtain good articles. I have dealt with the same parties as Columbia College, who probably use, next to our University, more than any institution in the country, and I have been told we buy just as cheap as they buy. I have before me the catalogue of Eimer & Amend. I would say with reference to this catalogue that it is the only house in New York that deals in the commercial article, if I may use that term in connection with the drug trade,—and chemically pure articles. They deal in both. Rohrbeck & Goebeler and Benjamin deal in nothing but the chemically pure; don't keep the medicinal article.

Q. Don't you know that they buy largely of Powers & Weightman?

A. I know that we should find out if they did, in the laboratory. We have occasionally returned articles to them. We have now a list of articles that came from Rohrbeck & Goebeler,—nitrate of baryta,—several kinds that will have to go back again. I have the catalogue that shows the difference in the price of the commercial pure article and the commercial article. Take for example sulphuric and hydrochloric acids.

Q. The common commercial goods you could not use?

A. We use very small quantities of them whenever we can, of course. Hydrochloric acid, for example, by the carboy, is four cents a pound on their price list; the chemically pure is 25 cents a pound; sulphuric acid 3 cents a pound; chemically pure, 30 cents.

Q. How much did you pay Rohrbeck & Goebeler for that same article?

A. The prices do not differ materially, I think we buy a little better of these parties. We purchased last year of them.

Q. Don't you remember of paying Rohrbeck & Goebeler as high as 50 cents a pound for sulphuric acid.

A. It might have been for pure sulphuric acid. Possibly was.

By Mr. Kelley :

Q. Did I understand you to say the University was indebted to you?

A. Yes, sir.

Q. What amount?

A. \$2,268.26.

Q. What is that indebtedness for?

A. For advances.

Q. Any of your professional services included in that?

A. No, sir.

Q. For money advanced?

A. Money advanced. The vouchers I think have been rendered and audited.

Q. By whom have they been audited?

A. Been audited by the regular auditing committee; I would say "audited."
The last account was before all the committees. They never made any objection to it.

Q. Has that been presented as a claim, or presented with your annual report?

A. Presented in my annual report.

Q. Have your reports been audited for the last few years by the Board of Regents?

A. Yes, sir.

Q. 1874-5?

A. I have it here.

Q. Was that report for '74-5 audited by the Board of Regents or any committee of that Board?

A. I can't say that the account has been audited. The vouchers have been examined, and I heard no objection to them.

Q. Was your report for 1873-4 audited by the Board of Regents or any committee of said Board?

A. I don't know. It was rendered to them.

Q. Do you know that any of your accounts have ever been audited by the Regents, or a committee of the Board of Regents?

A. Yes, sir.

Q. What year?

A. I know from their records.

Q. Can you tell us one year?

A. I can refer you to the records if you wish.

Q. Can you give us the reference?

A. Yes, sir; I have them here.

Q. Refer me.

A. In '58, page 19, my report was presented to the Board June 24th. September 28th it was referred to the finance committee.

Q. What is the next year?

A. I want to show that it has been audited.

Q. I can find that in the records, you say?

A. I can show you where it has been audited. On September 14th, page 30, the finance committee reported on that account, and the report was accepted. June 30th, '59, page 61, report presented and referred to the finance committee; December 20th, '59, page '71, finance committee reported correct and the account was allowed and audited. June 26th, '60, page 80, report presented and referred to the finance committee; September 11th, '60, page 89, report of the finance committee accepted, and for some reason, I don't know what, it was laid on the table. The committee reported in favor of allowing the account, and that report was laid on the table on motion of Regent Bishop. June 27th, '61, page 115, that report was taken from the table and placed on file. June 27th, '61, page 115, report presented, referred to the finance committee; September 24th, '61, page 119, finance committee reported correct and allowed. June 24th, '62, page 144, report presented and referred to the finance committee; September 25th, page 146, finance committee report correct; June 23d, '63, page 171, report presented and referred to the committee on chemical department; June 24th, '63, page 174, Regent Bishop, chairman of the committee on chemical department, reported the account as correct, and it was accepted;

June 28th, '64, page 67, report presented and referred to the finance committee; June 27th, '65, page 87, report of the finance committee correct; June 29th, '65, page 87, report presented and referred to finance committee; same date, page 94, the report of finance committee correct; June 20th, '66, page 145, report presented and referred to the finance committee; same day, page 146, report of finance committee correct; June 26th, '67, page 205, report presented and referred to finance committee; page 202, report of finance committee correct. The report of 1868, the record does not show that it was presented. It was however presented, and will be found in the vaults with all the accompanying vouchers. On page 202 you will find the report of the finance committee on that point, which does not appear to have been presented as correct: that is 1868. June 30th, '69, page 341, the report was presented and referred to the finance committee. The record of the Board does not show that that account was reported back and audited. It was however examined, and will be found in the files, and I had always supposed it was allowed until looking up this record. June 27th, 1870, page 43, report presented and referred to the finance committee; page 56, same year, reported correct; June 27th, '71, page 105, report presented and referred to finance committee; September 25th, '71, page 155, committee reported correct; June 25th, '72, page 233, report presented and referred to finance committee; October 7th, '72, page 248, committee reported correct; October 9th, '74, page 405, — '73 does not appear upon the ledger; the report however was presented, and will be found in the files, and I suppose had been acted upon. I know it has been audited by the committee. October 9th, '74, page 405, report presented and referred to the Secretary of the Board of Regents, Grant. The auditing committee seem not to have reported yet, by the records. It was examined, however, by Regent Grant, and I supposed had been acted upon. It seems there was no record of that action.

I would state, the University record, which I have here, the abstract, covers only the time of the printed proceedings. Previous to that time they were only in manuscript, and I have not examined them, but ever since I have been connected with the University I have been in the habit of rendering an annual statement, accounting for all money in my hands and the accompanying vouchers for disbursements.

By Mr. Hinchman :

Q. What amount was paid by the Regents annually, for professors and assistants in the laboratory?

A. That is a variable amount.

Q. What was the amount for this present year?

A. I cannot absolutely be certain, but I think about \$6,500.

Q. About the same last year?

A. Yes, sir; I think it was about the same.

Q. No estimate is made of that in calculating the profit of the laboratory?

A. No, sir.

Q. If those are charged against the laboratory, of course the balance would be very largely lessened?

A. Yes, sir; of course. A year ago the salaries of the assistants were advanced. Previous to that time they were paid, as has been stated on the records of the Board, \$225 and \$300. They are paid now \$750. Some of those engaged as assistants in the laboratory are also engaged in other departments of instruc-

tion, so that it is not easy to discriminate, at least to some degree, in figuring it out.

Q. Your bills were purchased for cash always?

A. Yes, sir.

Q. Never paid any interest?

A. Never paid a dime of interest that I know of. Speaking of salaries, I have here an extract from my report of June 25th, 1865, found in the files. It was the year following the work of Mr. J. B. Hough as an accountant. Mr. Hough as an accountant was a failure. He remained only one year, and his work was so imperfectly done that I made a strong appeal to the Board to pay more for that service, and to furnish me better material; and if proper I will read that portion of the report.

By Mr. Kelley:

Q. Is that in one of the published reports?

A. It is not published.

Q. In the proceedings of the Regents is it published?

A. No.

Q. Was it ever acted upon by the Board of Regents?

A. Yes, sir; it is in my annual statement of account to the Board.

Q. What year?

A. June, 1865.

Q. We had the same thing in the report of 1865?

A. Yes, sir. I only wish to call your attention to it, because it might escape your attention.

Paper marked "Exhibit C."

Q. Is the paper now shown you your report for 1864?

A. Yes, sir.

Q. Did you report in that year any indebtedness from the University to yourself?

A. No, sir.

Q. Is that your annual report for '65?

A. It is, sir.

Q. Did you report that year any indebtedness from the University?

A. No, sir; not at the close of the year. In the early part of the year they would be in my debt.

Q. Is that the annual report for '65-6?

A. Yes, sir.

Q. Any indebtedness that year reported from the University to yourself?

A. No, sir.

Q. Is that your report for '66-7?

A. Yes, sir.

Q. Any indebtedness reported that year from the University to you?

A. There is not, at the close of the year.

Q. Is that the report for '67-8?

A. It is.

Q. Any indebtedness reported that year from the University to you, that is, when you settled with them at the close of the year?

A. There is not, I believe.

Q. Is there not a balance on hand?

A. Yes, sir.

Q. How much?

A. That year there is \$1,800,—seems to be, if I am correct.

By Mr. Hinchman:

Q. Did you allow any interest on that balance?

A. Yes, sir; I kept an interest account with the University. When I received money I credited the University with interest on that, and when I paid a bill I charged the interest from the date of the payment and struck the balance. This account was kept through the year.

By Mr. Kelley:

Q. Is that your account for 1868-9?

A. Yes, sir.

Q. What amount were they in your debt in 1868-9?

A. If I am correct, they were in my debt \$1,568. I could look over this with a good deal more care than I can at present. They show for themselves, however. I think, if I am not mistaken, they owed me \$1,568.

Q. Then the first year in which the University was indebted to you was the year 1868-9?

A. At the close of the year, if I mistake not.

Q. At the close of the year 1867-8 the University was not indebted to you, by your annual report, was it?

A. I would have to examine it with more care.

Q. Here is the report of 1867-8. At the time of rendering that report the University was not indebted to you, was it?

A. No, sir; I don't think it was.

Q. There was a balance on hand?

A. Yes, sir.

Q. Then the first indebtedness on the part of the University to yourself accrued in the year 1868-9, did it?

A. I think it did, at the close of the year.

Q. Can you take your report for 1869 and point out the items that constitute the indebtedness in the year 1868-9?

A. The items of disbursements exceed the receipts. This is the disbursement column and that the receipt column.

Q. Do you find an item in that report of entries that you had charged to the University amounting to \$150?

A. I am unable to find such an item.

Q. Can you find an item in your disbursements that you have charged the University with \$200?

A. I do, sir.

Q. What was that for?

A. For interest and advances,—no, sir; I beg your pardon; I find no such an item; at least I have not yet. I find no such item.

Q. The item of \$200,—do you say you cannot find it in that report among the disbursements? It is designated as 5 per cent on \$——.

A. That is not an item of interest.

Q. I did not ask you about interest. I asked you about the disbursements.

A. Yes, sir.

Q. What does the item mean?

A. In 1868-9 an addition was made, if I remember correctly, to the labora-

tory. Before that work was commenced I made an arrangement with the Board of Regents, or the executive committee (I cannot remember now), that I would take charge of that work during the vacation, and that the University would pay me for that service. On that addition the appropriation by the Board was \$4,000. If I remember correctly, the contract was let for \$4,000 for the building. The University were to pay me, as I said before, 5 per cent for the supervision of it, and this \$200 was the 5 per cent that they were to pay. They appropriated by warrant \$4,000, and the 5 per cent was paid from the laboratory receipts, and it is charged in this account.

Q. Will you find an item of \$288.13 in that report?

A. Yes, sir.

Q. Being designated as 5 per cent upon \$5,762.68?

A. Yes, sir.

Q. What was that for?

A. It was for that additional outfit and at the building, in the form of permanent fixtures; and I can read the items here.

Q. I am speaking now of the \$238.13.

A. Yes, sir. When the building was erected very many changes were made in the laboratory. I think that two — were put in, pumps were put in, boilers, steam-chests, and tables, and interior fixtures, the items of which I can name here.

Q. Just state what the \$258.13 was paid for?

A. I was going to state what it was paid for. These were a part of the building, and are recognized as a part of the building upon which I was to have five per cent. commission. The steam pump was put in at an expense of \$200, a steam chest was put in at an expense of \$80, Woffler & Co., of New York, for plumbing materials, \$166.85.

Q. You do not understand the question; I asked you what the \$288 was for?

A. That was five per cent of the very items I have given you.

Q. Is it for interest for superintending the work?

A. Superintending the work and purchasing the articles.

Q. That was superintending the work outside the building?

A. They are really a part of the building.

Q. How much was expended in putting on the addition to the building?

A. The Board appropriated \$4,000.

Q. Upon that you received five per cent?

A. Upon that I received five per cent.

Q. Which is represented by the \$200?

A. Yes, sir.

Q. Now I understand you that there were further expenditures and work performed, over which you were superintendent?

A. Yes, sir.

Q. Did you charge \$288?

A. Yes, sir; and the items—I am reading from the items.

Q. Did you have any agreement with the Board of Regents?

A. I did, sir; and that account was audited by the Board.

Q. The account was allowed by the Board of Regents?

A. Yes, sir.

Q. And it was audited?

A. The whole matter was explained in detail to the auditing committee, and it was allowed; and it was not only that, but it was a bargain made in advance.

Q. And at the close of the year 1869-70 how much was the University indebted to you?

A. It seems by this report that they were indebted to me \$1,558.59.

Q. Examine that carefully and see if that is not the amount of indebtedness on the last report, which is deducted from the credit in that report, leaving the credit to the University of something like \$3,000.

A. How is that?

Q. Examine that again and see if you are positive about the indebtedness.

A. No, the indebtedness on this report; I beg your pardon.

Q. What indebtedness is shown by that report from the University to you?

A. I think I had of the University money \$6,149, if I read correctly.

Q. Then there was an indebtedness on your part to the University at the close of that year?

A. I think not.

Q. Is that your report for '70-1?

A. It is, sir.

Q. What amount of indebtedness, if any, is shown by that report, from the University to you?

A. I think I owed the University.

Q. How much?

A. \$1,007.43.

Q. Can you tell me why you charged an item of interest in that year,—upon what you charged it?

A. I find in October of that year,—I presume the balance due from the University on my account, as shown by this statement,—was \$292. I charged them, I presume, one month's interest on that, \$2.45. On December 31st, the balance due me on the University appears to have been \$521. I charged them interest on that for one month, I presume \$4.34.

Q. The balance due the University as per that report of '70-1 is something over \$1,000, is it?

A. Yes, sir.

Q. Is it not a fact that a greater portion of the money received in the college year was received in the early part of the year?

A. No, sir.

Q. Can you state what proportion of the total amount of money received into the college laboratory department for 1870-1 was received in the months of October, November, December, and January?

A. I cannot state how much was received in those months.

Q. Is it not a fact that the deposit money of students is usually received near the commencement of the college year, which is the 1st of October?

A. The greater portion of it is received at that time; but this deposit money I have treated, inasmuch as it is subject to call by the students, as not the property of the University proper, so long as it is in the form of a deposit,—so long as it enters into my account as an unsettled account. That is subject to be drawn from me any hour by the students presenting the certified checks.

Q. Have you allowed the University any interest in the year '70-1?

A. I don't know whether I have or not. It is not in my account, if I have. I would say with reference to that interest, that my custom varies in computing that interest. Sometimes I compute it in items, sometimes I compute it on monthly balances.

Q. Can you from your report, or any record that you have, give the items,—

the time and the rate per cent,—upon which you computed interest in the year '70-1, with which you charge the University?

A. I charged them ten per cent.

Q. Can you give the items, the amount, or principal?

A. On the 31st of December I charged them interest on \$521 for one month, for two months, I don't know how long. Interest on the balance was then due me. The rate per cent is ten, and when I made out the accounts in the other form I have always credited the University ten per cent. interest. Sometimes I made it out one way and sometimes another.

Q. Can you tell me the amount of money received in the year 1870-1, that came into your hands from students, by reference to your book or your report?

A. I think the amount is \$3,576.65. It might vary a little from that.

Q. Did you have any system of reckoning interest upon the balance that was due you from the University?

A. Yes, sir.

Q. Will you state what it was?

A. For the most part I reckoned interest on monthly balances. I would foot up the disbursements that I had made and the amount of money that I had received, and take the difference and compute the interest on it; and sometimes when I had the time I would do this way: start, say, the 1st of October; I would compute the interest on all bills paid from that until the last of June, the commencement; I would then compute the interest on all moneys received from the time they were received until the same period, and take the difference.

Q. Had you any means of ascertaining the amount of monthly balances, either in your favor or in favor of the University?

A. Yes, sir.

Q. From what record or data did you derive such?

A. The record of my report; the amount of money shown in my hands.

Q. The record of your annual report?

A. My annual report would show it very nearly?

Q. Go back to the year 1864; was there any month in that year in which the University was indebted to you at the close of the month?

A. I am unable to say with reference to '64, without looking the ground all over.

Q. Have you not charged interest for that year?

A. I don't know, sir. If it is in my report, I have.

Q. If it should appear that there were no monthly balances,—your debt for that year, and you had charged interest against the University, it would be an error, would it not?

A. It would be an error. I will qualify that in this way: the deposit, as I have already stated, subject to call of students, was not considered money in my hands,—the money that I was at liberty to use to purchase materials for the laboratory. I did not use it; it was subject to call, and as a matter of fact there were years—one year I recollect in particular—when \$1,000 or thereabouts of that deposit was returned to parties depositing it. I could not very well have that money on hand to return, and still use it in the purchase of supplies.

Q. In the year 1864 how much of the deposit of students was returned to them?

A. I have a list here which I think is a correct one, of the returned deposits. According to the list which I have here, in '66-7, \$540, assuming that each stub represents \$10. In '67-8 \$1,000 was returned; in '68-9, \$70, according to

my memoranda; in '69-70, \$70; in '70-71, \$70; in 71-2, \$330; in '72-3, \$60; in '73-4, \$290, or \$300, I think. I simply got the number of the stub in my memoranda. If those are more or less than \$10, it would vary a little. They are generally \$10 in 99 times out of 100.

Q. In '74-5?

A. I have not the list of '74-5. That is as far as I have gone. These deposits are a variable sum depending on circumstances. I could not calculate upon when it would be drawn from me. I had to hold myself in a position, of course, to pay it back whenever it was called for.

Q. Is it not a fact that in '66-7 the receipts from students was \$4,232, or thereabout?

A. No, sir.

Q. What is the amount you received from students that year?

A. I make the amount about \$2,738. That is the amount of certificates.

Q. That is, deposit money: do you mean?

A. No, sir; certified receipts on which money was received.

Q. Do you take that from your annual report, or from the examination of the laboratory account?

A. I take it from the vouchers themselves.

Q. From the vouchers that were returned to you annually?

A. The vouchers that were returned to me.

Q. Is it not a fact that same year the balance from the preceding year was \$1,573?

A. No, sir. I think one or the other of us has probably made a mistake in the year there. In 1866-7 I make \$4,090.52.

Q. That is the year I am speaking of.

A. That is the amount for that year.

Q. Did you not report a balance from the preceding year of about \$1,500?

A. I cannot recollect. There are no memoranda here to guide me. It is represented here \$692.39.

Q. Of the balance due the University?

A. At the close of 1866-7. At the close of the previous year there was \$1,331.35.

Q. Was there any time between your annual report of 1865-6 and your annual report of 1866-7, at which the University was not in funds, or had funds in your hands?

A. On the 31st of October the University owed me \$631.

Q. What year was that?

A. The year you are speaking of, 1867-8,—laying aside the deposit money.

Q. Without considering the deposit money?

A. Yes, sir.

Q. How much deposit money had been paid in that month?

A. I don't know.

Q. Then, do you know as a matter of fact that the University actually owed you that much? That is, you had not funds in your hands that would equal that amount?

A. I know as a matter of fact, so far as that goes, that I had no money on my hands,—so far as the money that was actually in my hands that belonged to the University. What belonged to the students was subject to that call.

Q. If you had received during the year \$4,000 of deposit money, and only \$540 during the year was drawn back by students—

A. It is hardly to be presumed that I would have \$4,000 deposit money.

Q. There was about that much paid in, was there not?

A. I don't know how you made it. The \$4,090 was not deposit money.

Q. Was there no part of it deposit money?

A. Part of it; but a comparatively small portion of it was deposit money at that time.

Q. Can you show from your books or report what portion of it was deposit money?

A. I cannot.

Q. As a general thing the deposit money was paid in early in the term, at the commencement of the year?

A. No, sir. The greater portion was paid in early in the term, but by no means all of it.

Q. Did you reckon this interest at the end of each month and charge it up to the University?

A. On monthly balances, yes, sir; as near as I could.

Q. Then in making up your monthly balances you disregard entirely any amount of money which you might have in your hands which was purely deposit money?

A. Purely deposit money I disregarded. The Board of Regents were aware of the whole matter; so represented to them in the auditing of my accounts.

Q. Did you ever state to the Board of Regents when your account was presented the manner in which you had computed interest with which you charged them?

A. Yes, sir.

Q. Was Regent McGowan present?

A. I don't know. The Board of Regents—I beg your pardon: I don't know whether I ever did or not. I stated it to the auditing committees that were auditing my account, but it has been understood.

Q. You mean by that the Executive Committee?

A. I mean by that the finance committee as a general thing: sometimes the finance committee, sometimes the committee on laboratory.

Q. Were you before the Climie Committee of Investigation?

A. I was before it, and I was not. I hardly know what answer to make. I was not there officially.

Q. Were you not there for the purpose of giving information to that committee?

A. I have no recollection of a formal call before that committee.

Q. Did you appear before that committee at any time and respond to any questions put you by the chairman or any member of it?

A. I appeared before that committee from time to time; almost daily during their investigation. I gave them all the aid that was within my power.

Q. Were you requested, while that committee were endeavoring to straighten out the laboratory accounts, to give them some system of basis upon which you compute interest charged against the University?

A. Yes, sir.

Q. Did you do so?

A. I talked with them and explained the whole matter to them.

Q. Whenever a student had drawn any chemicals against the deposit he had made, was it not then considered as University funds?

A. No, sir.

Q. Could he then withdraw his balance?

A. He could withdraw any balance that might be there, except that that he had used. As a matter of fact that money is, as Mr. Bennett will inform you probably, frequently returned to them.

Q. Have you in any year credited the University with any interest?

A. Yes, sir; I think I have.

Q. What year?

A. It does not appear on my account as any credit of interest. It appears in this way: I had one, or two, or three years computed interest in the manner which I have described to you, taking the difference of interest. Thus the University would get a credit of interest, but it would not appear in my accounts because I would only compute on the other side of the account the difference between the two computations. I am sorry I have not a computation here. I could not lay my hands upon it; but in one of these years I made a computation out of curiosity, to see what difference it would make in computing interest on deposits. Taking that into account it made very little difference; but I cannot lay my hands on the papers now. Perhaps I could find them. I went through them, as a curiosity, while the Climie-Rynd committee were in session.

Q. What difference would it make?

A. I don't know; I have forgotten; but the difference was very small indeed from the years I went through. I have no figures at present. I speak from recollection.

By Mr. Hinchman:

Q. How long was that stub money held before it was credited?

A. It was held until the final settlement of the account.

Q. How many months?

A. Sometimes one month, two months, three months, or nine months,—an average probably of about three months.

Q. The amount of money would average about \$1,500 or about that?

A. No, sir; I don't think it would average \$1,500; that would be 150 students; but right through it would hardly average that. At a guess I would think the stub money would average \$1,000.

Q. During the nine years to which you refer?

A. Yes, sir; perhaps less than \$1,000.

By Mr. Mills:

Q. According to your statement the average amount returned during those nine years would be \$272. You mean to say that during that time you would hold on an average upward of \$700 certainly?

A. I should think so. That is a vague guess. I would not want to swear to that without making figures.

By Mr. Hinchman:

Q. Calling it \$1,200, what would be the interest at 10 per cent for three months?

A. \$30.

By Mr. Kelley:

Q. Can you give me the monthly balances on which you computed interest in '73-4?

A. I could not without going into a computation here. January 1st I seem

to have computed interest on \$2,210, \$18.70. February 1st I computed interest on \$3,885.26, \$24.88. In March the amount is not given here.

Q. Any further interest in that report?

A. March 1st there is an interest item, but the amount is not given. The amount of interest is \$28.33.

Q. What is the time of the first computation?

A. It is not fixed, but I presume it is a month. December 1st the interest—the amount not given—is \$17.72. That I believe embraces all the items of interest.

Q. Is that all the interest in your report for that year?

A. No; here are two other items: April 1st, \$21.75; May 1st, \$22.60; July 1st, \$6.30. Take the item of balance, \$3,085, in my favor.

Q. At the close of that year?

A. No, sir; on the 1st of February. All the stub-money that I might have in my hands would not amount to anything like as much as that.

Q. Did you keep any such records as you could ascertain, and show to the Board of Regents the disbursements that you made out of your own private funds?

A. No, sir.

Q. The item of interest in 1873-4; was it ever brought before the Board of Regents?

A. Brought before the auditing committee of the Board,—yes, sir.

Q. Was any question raised as to the amount?

A. Never have raised any question on that point that I am aware of.

Q. Who was the auditing Board for that year?

A. I don't know who they were.

Q. It is not a fact that the report for 1873-4 has not been audited by any board?

A. I don't know whether the auditing appears upon the record. I know it has been audited; that is, I met with the committee and it was accepted, audited. I have been in the habit of meeting the committee,—taking time for it and going over each item, item by item, both receipts and disbursements in full to date.

Q. Was there usually more than one member of the committee present?

A. Sometimes one and sometimes two. Mr. Bennett has frequently assisted the chairman in the auditing.

Q. Was it usual for the Regents to confirm your report to Mr. Bennett?

A. No, sir; they usually referred it to the finance committee, who sat down in the office of Mr. Bennett, who went through with them.

Q. Have any of your reports been acted upon by the Regents upon the report of Mr. Bennett?

A. I am not aware of it, sir.

Q. Have you made any supplemental reports in which you have charged the University with sums of money, except the annual reports which we have here?

A. In which I charged interest?

Q. No, sir; only charged your services to the University.

A. Charged my own services?

Q. Yes.

A. Why, I think I made reports of special appropriations. I don't know whether they contained anything for services or not.

Q. Were the services for which you charged the \$200 and \$288 performed during the vacation?

A. Yes, sir.

Q. And no part of it during the college year?

A. I am not aware that any portion of it was performed in term time.

Q. Did you charge the University \$749 for putting in steam-heating apparatus?

A. I did, sir. I don't recollect the amount.

Q. These appear on your annual report?

A. I think not.

Q. Where do they appear?

A. They appear in my account of steam heating.

Q. Was that amount paid out of the laboratory receipts?

A. No; nothing to do with the laboratory.

Q. From what fund was it paid?

A. Special appropriation by the Board; and that service, like the other, was performed in the main in vacation time, and by agreement.

Q. It was paid from the general University fund?

A. Yes, sir.

Q. In which department was this steam heating apparatus?

A. In the law department, medical department, and laboratory department.

Q. About what per cent?

A. I think it was about 8 per cent I charged for doing it, for taking charge. I devised the plan and executed and carried out the whole system of steam heating.

Q. Was that item passed upon by the Board of Regents?

A. It was.

Q. Under an agreement between yourself and them?

A. Under an agreement before the work was performed.

Q. Do you think that you have accounted for all the money that has come into your hands?

A. I think I have, sir.

Q. How do you account for the deposit money represented by stubs, upon which there is a red line and letter *D*, that has not been charged to you?

A. If you will give me one of those packages that I had last year, perhaps you will understand better.

Q. Package of vouchers?

A. Yes, sir; and the stub-book if you please. The one I had last night with the wrapper, and also the abstract of that year.

According to our system of accounts between Dr. Rose and myself, the red line would indicate, or should indicate, the payment of the amount of money corresponding with the certificate. That it does not indicate it is shown by a great variety of circumstances appertaining to these. I have here the vouchers of '73-4, with the wrappers which surround them, that have been carefully preserved, as they were delivered into the hands of the auditing committee, found in the possession of the Secretary of the Board when this defalcation was discovered. Those wrappers represent the settlement that took place from time to time,—monthly settlements that took place between Dr. Rose and myself. They cover certain vouchers, and I hold in my hand an abstract. You may call it a list of the various accounts that are enclosed in each of these

wrappers. For example, the first wrapper we come to embraces accounts; the first one, Mr. Bennett's account, \$15.60, settled on the 22d day of January.

Q. Those are accounts which you have settled for?

A. Yes, sir.

Q. My question is with reference to accounts for which no vouchers have been returned to you. There is the list of names of such accounts in '73-4. Now will you please state how you accounted, or why you should not be chargeable with the money represented by those stubs?

A. That is just what I am trying to state.

Q. I don't see how you are stating that by telling what you have accounted for, why you should not be charged with that. You are already charged with the vouchers which have been returned. There are some where no vouchers have been returned to you, the stubs of which show the red line and the letter *D*.

A. I am explaining what, if you will permit me,—if that is your question. If you have another question—

Q. Answer as briefly as you can.

A. I will do it as briefly as I can in justice to myself and the committee.

Q. Of course we want all the light we can get on this subject.

A. I was stating that wrapper 1, for illustration, covered certain vouchers that appear to have been settled at certain dates, extending from the 22d of January to the 22d of February, which would cover all accounts that were in the hands of Dr. Rose on the 27th day of February, the day of settlement, assuming that at the day on which this was settled I received those vouchers. Dr. Rose's duty was to turn over all vouchers which he had at that date. Now, in examining the ledger you will find that on the 16th day of February Mr. McCullough paid his account of \$29.75 to Dr. Rose. On the 17th of February Mr. Sherman and Mr. Warner paid their account. The vouchers for those accounts are contained in this wrapper as they should be. On the 19th of February Mr. Bowers—

Q. You say the voucher from Mr. McCullough is in the wrapper as it should be?

A. Not McCullough's account. McCullough's is a delinquent account.

Q. Was that afterwards reported as a forfeited account?

A. I don't remember whether it was or not. It is immaterial about that. It was a settled account on the 16th day of February.

Q. Would it appear by the voucher in the package if it had been a forfeited account?

A. If it had been paid it would appear.

Q. If it had been what we term a "forfeited account," would you have had the voucher?

A. It was erroneously reported to be a forfeiture when it was a paid account, as it appears by the ledger.

Q. What difference did that make?

A. He would have the \$29.75, while I should not.

Q. You would have had the \$10?

A. Yes, sir; and if it was reported as a forfeiture, the University would have the \$10 too. On the 19th of February, Mr. Bowers paid his account, and the next day after Sherman and Warner.

Q. Is there any certificate for Bowers?

A. No, sir.

Q. What was the amount of that?

A. \$30.

Q. What about that?

A. The account of Mr. Bowers, or the \$30 which Mr. Bowers paid, must have been in the hands of Dr. Rose at the time of our settlement on the 22d of February, and withheld from me. It has a red line upon the stub, I believe, which indicates the delivery of the voucher, so far as the red line is concerned.

Q. Does it also have a letter *D*?

A. It has the letter *D*.

Q. Is the letter *D* genuine on that stub?

A. I should think it was.

Q. It has no red line, has it?

A. No, sir; it has no red line. I beg your pardon; I don't know but Mr. Bowers is in the forfeited list.

Q. It is in the delinquent list?

A. The stub was reported to me as a forfeiture, and is so credited in my account; \$10 reached the University from Mr. Bowers, \$30 reached Dr. Rose. There is no evidence whatever that it was paid to me,—not even the red lines.

Q. You say it is reported as a forfeited account?

A. Yes, sir; my memorandum shows it is.

Q. Was Mr. McCullough reported as forfeited too?

A. I think it was not.

Q. Who wrote that word "forfeited" on the stub?

A. I think that is in my handwriting. There were some memoranda made upon these stubs during the investigation, in pencil, and occasionally in ink, in the presence of the committee, without careful examination.

Q. That is written with ink?

A. Yes, sir,—in the presence of persons examining them.

Q. Were there any other figures or letters placed upon those stubs during the examination by any of the parties?

A. Yes, sir.

Q. In ink?

A. I don't know whether there were or not. Sometimes they used a red pencil, sometimes a black pencil, and perhaps sometimes ink. On the 24th day of February again, to illustrate, Mr. Beebe paid his account (not a delinquent account), of \$16.50.

Q. Is that on the delinquent list?

A. No, sir. On the 24th of February again, the same day, Van Meter paid his account of \$29.15. It is on the delinquent list. The stub has no red line upon it.

Q. Did you find any figures answering to those delinquent accounts upon the wrappers which were examined?

A. No, sir.

Q. What is the amount of Van Meter's account?

A. \$29.15. The stub deposit of \$10, stub number 10, this account was reported to me as an unpaid account, with instructions to credit the University \$10, and the \$10 will be found credited to the University in my report. The \$19.15 I conclude Dr. Rose has. And in the case of Van Meter, Bowers and Macauley having been settled and in his hands at the time he rendered the account, this wrapper is a memorandum of,—or the vouchers, I conclude, inasmuch

as I have no vouchers, and he had them in his hands at that time and should have delivered them to me, that they were not delivered to me. But in the case of two of them, falsely reported as unsettled accounts,—and proper subjects for credits to the University as forfeited.

Q. Then I understand from your explanation that whatever deposit money was paid in upon the stubs which we find answering to the names and the accounts in this list your initial appears upon you should account for?

A. I suppose I should account for them if the signature is genuine. There can be no question about that. I have never called that point in question yet. During the first auditing of the committee, before I had the least inkling that there was a forged stub, every time we came to an account of this kind I invariably said, "Charge that \$10 to me." Dr. Angell will testify to that, I presume, as well as Mr. Walker and Mr. Gilbert. Extending through this entire year I find a similar condition of things. This abstract or list is a correct statement, as I believe, of all the delinquent accounts in red, and placed in between these in black that were properly accounted for as vouchers as shown by the wrappers, delinquent accounts of corresponding dates, or accounts that he held in his hands at the time the settlement was made.

Q. Will you put that in evidence for the use of the committee?

A. Yes, sir.

Q. Who prepared that abstract?

A. That abstract was prepared by myself, and I think has been reviewed several times by different members of the committee, and also by Mr. Richmond, an accountant in the city. What others I do not know.

Q. When did you make it?

A. I made it, I think, while the first committee were in session.

[The paper is offered in evidence and marked "Exhibit D."]

A. Similar abstracts have been prepared for other use, I think for 3 or 4 years.

Q. By yourself?

A. No, sir; they have been prepared by Mr. Richmond I think.

Q. Do you wish to put those other abstracts in before the committee?

A. Yes, sir; I suppose they are documents that properly belong to the committee. [These abstracts are all included in Exhibit D.] In the years that I have referred to, I believe the entire of the wrappers, or memoranda of settlement, are in the handwriting of Dr. Rose. Perhaps one of them is in my handwriting. I will state further with reference to that, if you will hand me one of those stub-books, as to the effect. Take Mr. Bowers' account as an illustration. In the laboratory I very frequently would go to the stub-book,—very rarely go to the ledger, because I have regarded the stub-book and the vouchers as the greatest security in all laboratory work. I go to the stub-book, pass my eye over it and come to an account with a red line, and if I happen to know that the man represented in that account has gone away and there is no red line upon it, I call Dr. Rose's attention to it,—“What has become of Mr. Van Meter?” as an example; “Why, has he not settled his account?” and I would say to him, “Write to Mr. Van Meter and collect that money; do not allow it to lie in an unsettled condition.” If on the other hand I find that a red line is drawn across it, or if he is not going to return, say so to me and I will credit the University with \$10 as an unsettled account. But if on the other hand, in passing the eye over these stubs, I find the red line upon it, I fairly assume that is a proper entry, and that a voucher has been turned over

to me, and that I have accounted for it to the University. Now the practical effect in the case of Mr. Van Meter, assuming his account to be \$30, would be that the \$20 is placed in the hands of Dr. Rose; the \$10 paid to me unconsciously without my knowing it has been left in my hands. I will have no means of knowing that the \$10 were there except the derangement it would produce in my cash account. I would assume in seeing the red line that the red line was there properly, and that the vouchers had been turned over to me; and inasmuch as this condition of things extends through four years with complete sets of wrappers, and that they were when found enveloping the vouchers within them, I assume that whatever accounts were paid, of delinquent accounts found with corresponding dates, must have been in the hands of Dr. Rose at the time of his settlements with me, and not turned over to me. If, on the other hand, he has already settled his accounts, and falsely reported them to me as forfeitures while he had the money in his pocket, I reporting the forfeiture to the University and credited the University for \$10, I think the evidence is pretty clear that he has all but the deposit, and the deposit has gone to the University.

By Mr. Newcomb:

Q. I would inquire, doctor, if in these forfeited accounts had he designed to do as you claimed,—if he had left them unbalanced on the ledger, would it not have been a more natural sequence?

A. If he had left them on the ledger unbalanced, of course the inquiry would have arisen very quickly.

Q. The student does not always see the book balanced. I think, perhaps, not commonly see the book balanced. After settling with the student, would not the more natural sequence be to leave the ledger account unbalanced?

A. Perhaps so. He seems to have done it the other way generally. I think his effort was to get the stub out of my sight so that I would not raise any inquiry as to what had become of these names, and push him to make a settlement with those parties, as I frequently did, when a stub was unaccounted for without the red lines. Looking it over I would very frequently say, "Why don't you collect that account? Why don't you settle that, or report it to me as a forfeiture, dispose of it, get it out of the way in some form?" That very often took place. If on the other hand there was a red line, I would have no occasion to inquire into it. In the multitude of students—200 or 300 vouchers—it is not presumed I could recollect from time to time all of them.

By Mr. Kelley:

Q. Did you make an abstract of the stubs that had the letter *D* upon them without the red line?

A. I did.

Q. Have you accounted to the University for the deposit money for such stubs?

A. I don't know how many I have accounted for.

Q. Have you for any of them? Have you examined the stubs that are designated in the report of the committee known as the Grant-McGowan committee, under the column "Stub account with no initial *D* and no red line?"

A. I think I have.

Q. Have you accounted for the deposit money in every case where the stub bears the initial?

A. Probably not.

Q. Is any part of the aggregate of that column deposit money?

A. Probably it is.

Q. Where the initial is genuine?

A. I should presume so; I have no reason to suppose otherwise.

Q. You should account for that money, then, should you not?

A. Unless there are other studs that are not genuine. That would be an offset for them.

Q. Was there any deduction made for studs that are not genuine in considering the matter in this committee?

A. A deduction of \$10 only, I believe.

Q. Only one deposit?

A. Only one.

By Mr. Mills:

Q. I would like to ask, in your settlement with Dr. Rose, when comparing the stubs or in adjusting the stub money, did you ever employ any one to make entries of your name or the letter *D* upon them?

A. Never, sir.

Q. Always did it in your own hand?

A. Always did it myself and in his presence.

By Mr. Newcomb:

R. Referring back to the matter about which you testified yesterday and this morning: I want to ask one or two questions. I think you made a statement here this afternoon that you more frequently used the stub-book as a matter of reference in the laboratory. I want to ask you the question, if there had been deposits made to the amount of \$2,000, would not the stubs have shown it.

A. They should show it.

Q. If the stubs had shown it and \$400 had been short, would you not have missed it?

A. I might miss it and might not. I don't think I would necessarily miss it. I don't know whether I explained it this morning. As far as the capacity of the laboratory—

Q. We are referring now to the stub-book and not the laboratory.

A. I know what you are referring to, but I want to make an explanation to make it clear. Suppose the capacity of the laboratory was 120 students, and it was full the latter part of October, the time when I would naturally settle with Dr. Rose, I would say: "Well, Dr. Rose must have \$1,200 at least representing that stub-money." I go to him and he pays me \$1,200. He may have received \$1,500 of deposits. How many have made application there for admission into the laboratory it is impossible for me to say. He may have received \$1,500, and if he has received \$1,500 and pays me only \$1,200, I do not see how my attention would be directed to it.

Q. Would not the number of the stub determine that?

A. If I observed it carefully undoubtedly it would. I had the utmost confidence in Dr. Rose, and supposed everything was right.

Q. You say you are in the habit of going to the stub-books?

A. I go to the stub-book with another object entirely.

Q. Do you think that you would be more likely to discover a deficit than you would a surplus?

A. I don't know that my attention would be directed to it. You may see from my bank books and judge for yourselves that I am not one of those that

are constantly short for money; the bank book will show that, I guess. I have plenty of money to pay my debts, and pay the University debts, and unless I were hard pressed I would not be likely to call attention to it; my attention would not be directed to it.

Q. In either event where it was a surplus or deficiency?

A. I don't think I would be likely to, under the circumstances, for the reason that my employment is such, my duties have been such,—lecturing in the afternoon, and engaged all the forenoon, as I said this morning, in preparing for the lecture, I would frequently, if I could get fifteen or twenty minutes of time just before the lecture, or get ready a little in advance, go in and settle with Dr. Rose hurriedly, and sign off the stubs and make the settlement with him, and rush back again to the laboratory, so that my connection with the laboratory for several years, until within the last year, has been of the nature of a general supervision. I have had other work to do, in teaching general chemistry, that occupied my time.

By Mr. Taylor:

Q. Are the delinquent accounts made up principally of stubs or deposit money, or the money paid after the deposit?

A. Mostly paid after the deposit. Three-quarters of it is paid after the deposit.

By Mr. Newcomb:

Q. With reference to that matter of the forgery, that you testified to last night; that is what I have taken into account.

A. I did not understand you last night when you asked the question.

Q. In your testimony you testified you thought from 44 to 84 were forgeries, and that is what I referred to.

A. I want to say, as I said last night, that I am not an expert in determining forgeries,—even my own handwriting I would not pass myself off in that capacity; and I would desire, as I did to the Board of Regents, in the absence of experts, to submit it to the good sense of the committee,—put such information in their hands to enable them to judge just as well as I can.

By Mr. Taylor:

Q. What has become of the books of the laboratory showing the business thereof from the year '56 to the year '64?

A. I have no knowledge of them. The last time I knew of them they were in the possession of the steward.

Q. Can they be produced here?

A. I do not know, sir.

Q. What was the manner of doing business at the laboratory before Rose came there?

A. Instead of the stub voucher or system of stubs which exist now, small card receipts were issued, about two by three inches.

Q. Are these the cards?

A. These are the cards.

Q. What change in the manner of doing business and keeping the accounts after Rose came?

A. I don't recollect precisely the time when the card vouchers were discontinued; I think it was after he came.

Q. Who made the change?

A. It was made by me,—under my direction.

Q. Did you act under the authority of the Board of Regents in making that change?

A. No, sir; it was voluntary on my part.

Q. Would the change render the detection of loss of funds more easy or more difficult?

A. I thought myself when the change was made that it added to the accountability of the parties engaged in the laboratory,—made the laboratory more completely secure against any losses. That is a matter of opinion.

Q. Before the system of stubs was introduced, what record was made anywhere of the deposit made by the student?

A. The record in the ledger of the laboratory.

Q. There was no stub account?

A. No, sir.

Q. Have you always had the same style of ledger?

A. Substantially the same, printed in blank. In the earlier work of the laboratory, when everything was in comparatively a new condition, you may say, they were written, and then they were printed; and alterations have been made from time to time, of course.

Q. If any record was made in any book of the deposits made from the year '56 to '64, will you tell us?

A. I could not tell whether there was or not, it is so far back. I don't know. We had very poor accountants at an early day. I don't remember of any book. It is so long since I have looked at those older books that I am unable to recollect anything in connection with them very distinctly. They represent correctly the amount received into the laboratory, I presume. The parties engaged in keeping these books I have no reason to suppose did not make accurate and truthful accounts.

Q. What books?

A. The ledger.

Q. That is all the books you know of?

A. There may be others; I have not looked them up.

Q. That is all you call to mind?

A. Yes, sir.

Q. Prior to 1864, if a student paid you a deposit of \$10, and had one of your tickets, went to work and worked out his \$10, but never returned to you the ticket, in what manner did you account to the University for that money?

A. It went on to my annual report.

Question repeated.

A. It would go on to my report in this book,—be reported to me. I report all the money that came to my hands. My reports probably will show just such transactions. I have no doubt of it.

Q. Then you would have to go to the ledger?

A. I would have to go to the report.

Q. To make up your report?

A. It might be on the ledger,—would be undoubtedly on the ledger. The \$10 which I would receive would be accounted for to the University.

Q. When a student had received one of your tickets prior to 1864, is it not true that he kept his ticket in his pocket, and when he had completed his course his table was invoiced back, and the amount he had was indorsed on the back of his ticket; and is not that the only record ever made of it?

A. I would have to consult my old reports. These tickets I hold here are tickets that were returned to me.

Q. I will give you time to consult.

A. If you will give me the written question I will endeavor to answer it definitely.

Q. Prior to Dr. Rose's entrance into the laboratory, state whether or not the account in the ledger against the student shows any subsequent payments to have ever been balanced upon the ledger.

A. I have already said that during the year which Mr. Hough had charge of the laboratory, the books of the laboratory were far from being well kept. Mr. Hough was a very bungling accountant.

Question repeated.

A. I don't know, sir. I am unable to say without consulting the books.

Q. Is not that book one of those that were in use prior?

A. This seems to be balanced. These accounts are balanced. This is the book of '62. This is in the handwriting of Mr. Hough. It was very awkwardly kept. No doubt he was honest.

Q. Is it not true that in many of the accounts entered there, deposits or subsequent payments are not entered, but simply the student's name appears?

A. I think very likely it was true; I don't know; I am unable to answer it. I would not wish to answer it without consulting the books.

Q. Prior to '64, you failed to account for the tickets, or failed to return in your annual statements the tickets which had been issued to students,—what record was there left by which it could be ascertained how much money had been received for chemicals from students?

A. The books would be left, of course,—nothing else.

By Mr. Phelps:

Q. The books do not show the deposit money?

A. Apparently they do not, in all cases. I think they must in some cases. Professor Prescott had charge of the books one or two years, and Mr. Lewis had charge of them. Mr. Lewis was a very fine accountant. He was there just previous to Dr. Rose. The year which Mr. Hough had charge of them they were pretty badly kept.

By Mr. Taylor:

Q. Prior to 1864, if you failed to account for the tickets, or failed to return with your annual statement the tickets which had been issued to students, what record was there left by which it could be ascertained how much money had been received for chemicals from students?

A. I know of no record except the ledger of the laboratory.

Q. If a student makes his deposit of \$10 and a certificate is issued to him, but he fails to call for his money or take his table and work the amount out within three months, or takes a table and works out a part and leaves the balance, is not the money forfeited by the student?

A. That is the rule, but it is not adhered to invariably,—not generally. If, from any cause, the student is necessarily absent, on account of sickness, death of friends, or family, or any good excuse for leaving, whatever may be due to him on account is returned to him. We exercise a pretty broad discretion under that rule.

Q. If a student makes his deposit and receives his certificate, he takes his

table and works out the amount and more, and leaves in debt to the laboratory, is not such an account also called a "forfeited account?"

A. It should be reported to me as a forfeiture. Dr. Rose, or the person in charge of the laboratory, should report such case to me for credit to the University. I have in my pocket one of those reports, which will illustrate it perhaps better than any other way. Here is one of his reports of forfeitures, in the handwriting of Dr. Rose, the only one I happen to have, and it was mere accident that I happen to have that.

Q. Do you wish to introduce this in evidence?

A. Of course it will be.

[The paper is offered in evidence and marked "Exhibit E."]

A. Those reports of forfeiture were generally made in that form, and I depended upon them to credit that forfeited account.

Q. How and when were those forfeited accounts settled for between you and Rose, and in what manner did you ascertain whether the student owed the University or the University owed the student? What books or records did you consult to learn the true state of the forfeited account?

A. It was his duty, as I have already said, to report those to me, and it was my duty on the other hand, when they were thus reported, and it was thus decided that the party would not probably return, to credit the University, and the credits will be found in my reports from year to year upon that account.

Q. What was done with the stubs of a forfeited account to indicate that it was forfeited?

A. Sometimes it was written across "forfeited," and sometimes it was not. There is no regular rule, and you will observe in examining, for example, in 1869, \$175 was credited to the University, of forfeiture accounts; in '68 \$104.25 was credited to the University on forfeiture account.

Q. If a student makes a deposit and a certificate was filled out and given him, but before you made the next monthly settlement with Rose, and hence before you had put *D* upon the stub, the student concluded not to enter the laboratory and returned the certificate and received back his money from Rose, what was done with the stub and certificate?

A. It is a case that rarely occurs in that way, but the disposition of it would be this: Dr. Rose would return the student his \$10 if he had money in his hands; if he had not, he would come to me and get it. In such a case, of course, he would have money in his hands,—perhaps the identical bill that he had received, of bills. He would write across the stub, as a rule, I believe, "cancelled," and would tear up the certificate.

Q. The ticket was destroyed?

A. The ticket was destroyed.

Q. If the student made a deposit and received a certificate, and then you settled with Rose and placed your letter *D* upon the stub, and after that the student returned the certificate to Rose and received back the deposit money, how was the matter settled between you and Rose?

A. He would either come to me for the \$10 to be returned to the party, bring the certificate, across the face of which was written "canceled." Here is one of the certificates of that nature. I happened to think of it and brought it with me.

[Certificate produced and marked "Exhibit F."]

A. As a practice in our monthly settlements, I would produce these canceled

certificates, take them of him as so much money (\$10 each), count them off just as I would bills on his account. They were then destroyed.

Q. In that case would not the stub show the letter *D* and also "canceled?" If not, what would it show?

A. It would show the letter *D* and "canceled."

Q. In case a student made a deposit and took his certificate, and then you settled with Rose, and received the deposit of Rose and placed your letter *D* upon the stub, and then the student returned his certificate to Rose and received back the deposit, and then Rose marked the stub "canceled," but after that, and before you again settled with Rose, the student again changed his mind, and paid back to Rose \$10 and took back his certificate, and worked out his deposit, settled up with Rose and returned the certificate, and Rose in his next settlement passed the certificate to you, what would the stub then show?

A. If I understand it, it is this: The student makes a deposit and changes his mind and takes back his deposit, brings back his certificate, that certificate is returned to me—

Q. Returned the certificate to Rose and received back the deposit. I will read it again?

A. I suppose it would be treated as though all that had never transpired between Rose and the student.

Q. What would the stub show?

A. I suppose it would show "canceled" if he had written across it "canceled." I never knew of such a case.

Q. Would not the stub in such a case show first the letter *D*, secondly "canceled," and thirdly the red line?

A. If it was finally settled up and the certificate returned to me properly certified to, it should show the red line.

Q. In any case of canceled tickets where the stub shows the letter *D*, was there any way in which Rose could receive back the stub money from you unless he produced the certificate? If so, tell us what way?

A. He would not receive the stub money back from me unless he produced the certificate. I don't know that I have ever taken back the \$10 without a certificate. I am not aware of any such transaction. Wait a minute: I think the proper inference would be, when an entry is made upon the stub, that it was canceled, the inference would be it was canceled. I don't know why the entry should be made in that way unless they were true. I think the proper way, and I suppose the true way and only way of doing that business, would be, where the stub was cancelled in this form, to issue a new certificate. I never knew of a case otherwise.

Q. In your testimony given before the McGowan committee you stated that you settled with Rose on an average of once a month during the year, but that at those settlements the ledger was not generally produced. What do you mean by the statement that the ledger was not generally produced?

A. I mean that I did not consult it.

Q. Did you not nearly always settle with Rose at his desk in the laboratory, and was not the ledger and stub-book always in the same desk and within your reach or open before you?

A. Yes, sir; I suppose they were.

Q. In your testimony in June last, you said that in the year '66-7 you made the delinquency \$50 less than the accountant, and that \$50 appears as a part of

a forfeiture of \$104 made in that year; will you tell us what items that \$104 of forfeiture is made up of?

A. J. Isgrig, \$10; F. H. Lyman, \$10; J. H. Austin, \$10; A. W. Barrett, \$10; A. Field, \$10; C. H. Allen, \$10; F. M. Wilder, \$10; and H. Champlain, \$10. The other three I have not the names. I don't know how I could get them here. Mr. Tregaskis can probably furnish them to me. I would say in reference to that credit of \$104.25, that it is a credit on forfeiture accounts. I know of no other deposits than those named to, which it could apply. The individual names are not given in my report; it is simply \$104.25 credit on account of forfeiture. I have reason to suppose that it applies to the names that I have here given; no reason to suppose otherwise.

Q. You have only given the names to make up part of it?

A. It must cover forfeitures of some form or other. It cannot cover anything else, and I see no reason why it should not cover those. It is a regular credit on account of forfeitures.

Q. You said in your testimony June last that in the year '72-3 you made the deficiency \$10 less than the accountant, and that that \$10 was accounted for by one of the vouchers being found by the committee that afternoon in one of the packages where it did not belong. Now, if you have properly accounted for that voucher in your annual statement, what difference would it have made whether the certificate or voucher was found or not?

A. Well, I don't recollect the transaction; it would take a little time to look it through. I suppose it is one of those vouchers that got misplaced from their proper package.

Q. On the night that Dr. Prescott was first at your house to assist you to look over the books, will you state what books and all the books and records you and Dr. Prescott examined that night, and what books and papers you had at your house that night, belonging to the laboratory or University?

A. We had the ledger pertaining to the year that we examined,—1874-5.

Q. Give a list of all the books you had, as near as you can recollect?

A. That was all.

Q. Paper, vouchers, and stub-books?

A. We had the regular vouchers; no stub-books.

Q. Did you have any of the other papers that had been introduced here?

A. We had a package of vouchers that had not been returned to the Regents that year. Not this package, but another package that I had been using the previous evening in making up my statement of accounts. I think that was all we had except the ledger. I am not so positive; perhaps Professor Prescott can recollect about that. I don't know whether we did have anything else.

Q. What was the name of the Janitor that you sent after the books that night, and what books and papers did he get?

A. Mr. Congdon.

Q. What books and papers did he get?

A. He had the ledger of that year. My recollection does not serve me whether we had the stub-books: I think we did not; I would not say positively; I cannot recollect. I don't know whether we sent for them or had them there. I sent all the books that I supposed was necessary for the investigation that night.

Q. You said before the McGowan committee in June last that the name of Grimwood as written in the book was not yet turned black, and you saw it the next day, and it had then turned black: do you say so still?

A. I don't remember whether I said so then or not. My impression is that it had not turned black.

Q. Didn't you testify to the same this morning?

A. I only kept the book, if my memory serves me, the night or the next day; I cannot remember distinctly about that.

Q. I understood you since you have been on the stand that it was written with ink that was blue but would turn black: do you say it had as a matter of fact turned black when you saw it the next day?

A. I don't say so; I don't know; I have forgotten; I have no recollection about it.

Q. You and Dr. Prescott had the books of the laboratory up to your house; didn't you and Dr. Angell have them there another night, and were they the same or different books?

A. I could not tell without reference to the books. We had the books at my house of the previous year; whether they were the same books or not I don't remember. We spent another evening, if I remember rightly, with Dr. Angell in examining the accounts of the previous year, and we had the books for that year. Whether they were the same books for the year 1874-5 I could not say without looking at the books. I do not think they were.

Q. In your testimony in June last did you not swear that Regents Gilbert, E. C. Walker, and McGowan, in the presence of President Angell, requested you to act with President Angell, Secretary Grant, and Treasurer Knight, as a committee to investigate the account of the laboratory, and did you consent so to do, and did such committee enter upon the work of investigation?

A. I used that word "committee" perhaps carelessly. I have done so several times here to-day, referring to those gentlemen that examined the books, Dr. Angell, Mr. Bennett, and Mr. Knight. I may have used the word "committee," but it never was a regularly constituted committee,—never organized as such.

Q. At the same time did you not further state that you did not call Rose in there then, but decided to go over the accounts first?

A. I think Dr. Rose was not notified when we first commenced. Mr. Knight, Dr. Angell, Mr. Bennett, and myself met at the President's room one evening and talked the matter over.

[Question repeated.]

A. I don't know what I stated then. I can state definitely what did take place. It would be an answer to the question if you will permit me to answer it in that way.

Q. Were your annual statements produced and examined, and compared with the ledger at the time the Douglas committee investigated the accounts?

A. I am unable to state anything about the Douglas committee.

Q. When you called Dr. Rose before you, did he not request the privilege of comparing the books with your annual statements?

A. No, sir; not that I know of. I have no recollection of such a request. I do not wish to be committed to anything with respect to calling Dr. Rose.

Q. When Dr. Rose came before you, did he not request that privilege of comparing the books with your annual statement?

A. I have no knowledge of any such request.

Q. You stated also, at the same time, that all the stubs from 46 to 85, in stub-book of 1867-8, were spurious. Do you hold the same opinion still?

A. I do not think I quite stated that. I qualified it, I think, very much as I

have in my testimony to-day and last evening. I have not read that testimony to know what I said, but I certainly intended to qualify it as I have to-day. If I used language of that kind I am not aware of it,—have forgotten.

Q. How many letters *D* have you cut, or caused to be cut out of the stub-books?

A. I do not recollect. During the first examination of the accounts of '74-5 the question arose with the committee as to the genuineness of the letter *D*. I used the language "committee:" the gentlemen who were making the examination, if you will allow me to call them "gentlemen."

Q. Who were the gentlemen?

A. Mr. Bennett, Dr. Angell, Mr. Knight and myself, claimed to be gentlemen at any rate. I do not recollect who was talked with in reference to this point, but I think Dr. Angell and Mr. Bennett. The question arose—we were looking at the initial *D* on some of the stubs for one year; they looked somewhat suspicious. I was not entirely satisfied whether they were genuine or not, and I said to Mr. Bennett or Dr. Angell, or both, now I will take my pen-knife and cut out some of those letters—just block them out on those stubs, half a dozen or more, perhaps a dozen, and also cut out some of his *D*'s where we can find them. In December, for example,—find a *D* and cut that out. If he has writing the name *Doty*, cut out the *D* in *Doty*, or whatever it was, collecting some of the *D*'s that were known to be genuine, that is to be in Rose's handwriting; and we cut out some of these *D*'s upon the stubs; and as a matter of curiosity I mixed those up, placing upon the back a little dot with a pencil so that it could not be seen by any party looking at those little blocks; then placing the letter *D* looking upward, the dot below, those that were supposed to be genuine, for example, would have a speck on them with the point of a black pencil,—on the back of them. I would mix them up in this way so that they would be well intermixed, mingled, and then ask parties to pick out of those letters those that were of the same man's handwriting. I carried them in my pocket, submitted them to Mr. Bennett, Dr. Angell—

Q. Do you recollect how many of them?

A. I do not; I think perhaps a dozen of them of both kinds. I carried them wrapped in a paper in my pocket for some little time, took them to Detroit and showed them to Mr. E. C. Walker and Mr. Kent in Walker's office, and showed them to some of the professors,—I don't recollect now who,—to see how far they would be able to select out—they were half of one kind and half of the other—how far they would be able to separate them. I tried that as an experiment with a good many, and perhaps carried them in my pocket for a month, may be two months. They were cut out for that object. Afterwards it occurred to me that perhaps the question might arise how those *D*'s happened to be removed, some time in this investigation, and it occurred to me it was a careless thing, the removing of them, likely, and I collected the *D*'s together so far as I had them. I had lost some of them. I pasted them back in the same spot they were removed from, the most of them. Some of them are still out. That is the history of the removal of those letters *D*.

DR. DOUGLAS RECALLED.

Witness.—I desire this morning to correct an impression that perhaps was created in my examination yesterday with reference to the subject matter of the forged letter *D*. I perhaps conveyed an erroneous impression in my first testimony with reference to these stubs

By Mr. Kelley:

Q. Before this committee do you mean?

A. Before this committee. I intended in that testimony to have conveyed this impression: That is, that I had not up to the time Mr. Climie and Mr. Tregaskis called my attention to the forged stubs, or supposed forged stubs in the second stub-book which has been before you,—I had not supposed that there was sufficient evidence of forgery to make it a proper ground of defense, and abandoned all idea of taking that position, or making that so at all. That is what I intended to say. My attention had been attracted to it early, but I had abandoned it. That is the impression I should have conveyed, if I did not convey it. I had previously examined these stubs with the letter *D*, when, if there is any imitation of my handwriting on the part of Dr. Rose, he had attained that skill which enabled him to so far conceal it that I probably could not make any point upon it.

I also stated to the committee that I had made certain computations of interest for the purpose of showing the justice of my claim for interest. In examining the accounts of Mr. Tregaskis immediately after the report was made, I observed that computations of interest were made up to the year 1873-4, interest on deposit as well as interest on vouchers; that the accountant has passed through those computations; but in the year 1873-4 no computations appear to have been made. I took up the year '73-4 and carried it through upon the same basis that had been carried through by the accountant, and I have here the results of those computations. I have computed the interest on monthly balances as the accountant had, I believe, commencing with the first day of July and closing with June, the fiscal year of '73-4. I have computed the interest on the amount in my hands from [—] sources, stub money and all, each month. I then took up the bills of the laboratory, payments made, and computed the interest on each of those bills from the date at which they were paid up to the first day of July, also. In July I had \$789.45 in my hands; the interest on that would be \$72.33. In August I had \$47.40; interest, \$3.92. In September, \$486, and so each month through the year, letting the interest in behalf of the University be credited to the University, \$163.61; in other words, I charged 85 cents more than I would be entitled to, counting the interest on deposits and interest on all sums. I also have here a statement of interest charged in each year, and the amounts upon which it was charged. I stated, I believe, that I made such computations and hadn't it with me yesterday. I have since found it.

Q. Do you want to put that in evidence?

A. I have no objection. In the year '68, on his basis of computation.

Q. I understand you made up a tabular statement for all the year showing the interest and amount on which interest is reckoned?

A. Not always the amount.

Q. I understand you desire to put that in as a part of the evidence?

A. I do. In the year '68-9, if I read the accountant's statement correctly, I am credited \$78.84 interest, on his basis of computation. If I am not correct I hope some one will correct me.

[Statement is received in evidence and marked "Exhibit G."]

I have another matter to submit. If the accountant will turn to the ledger for 1873, the account with George C. Henry, settled June, 1873. A few weeks ago Mr. George C. Henry, who was formerly a student in the laboratory, was here on a visit to his friends, and in conversation with me he remarked that he

had a receipt for his account in the laboratory, and said he had it with him. I asked him to let me see it, not supposing there was anything wrong in Mr. Henry's account; but from time to time I have looked up such matters, and he produced this receipt for \$61.60, the amount of his account at the laboratory. I asked him to let me take the receipt, and he did so, and I find by comparison with the ledger that the ledger account shows \$58.40, \$3.20 short of the amount represented upon the ledger. I have also compared it with the vouchers surrendered to me, and that also represents \$58.40. I only introduce this as a new fact in these transactions, and something that was not before the former committee.

[Receipt is offered in evidence, and marked "Exhibit H."]

Mr. Henry's account is found on page 96 of the pharmacy ledger and on page 340 of the laboratory ledger. Perhaps it would be proper to refer also to the voucher of \$58.40. It is among the vouchers corresponding to the date, I suppose.

Q. If I understand you rightly, in computing the interest of '73-4 you have computed it upon monthly balances upon the money that was in your hands belonging to the University?

A. I think that is the basis of the computation.

Q. To ascertain the interest that you should credit the University with?

A. The computation which I made there, you understand me, was made in the same manner that the previous committee had made it.

Q. I understand that to ascertain the interest for which you credited the University, you computed it upon monthly balances of money in your hands?

A. Not upon monthly balances. I beg your pardon.

Q. What does that mean,—August, \$47.90; interest \$3.92? Was that the balance in your hands!

A. No, sir; it is what I received in that month, I think. It is a long time since I made it.

Q. Did you compute interest on the whole amount you received during the month and credit the University with that much?

A. Yes, sir.

Q. You followed that course through the year and ascertained what the amount should be?

A. Yes, sir.

Q. How did you arrive at the interest at which you charged the University, and upon what amounts did you compute it from time to time?

A. I arrived at the interest by taking the bills purchased and computing interest at a former date, at which those bills were paid up to the 30th of June, if that is the date to which I had previously computed the interest on the money in my hands.

Q. For this year what was the amount of bills and from what dates did you compute the interest which you charge the University with?

A. The date of their payments?

Q. Where did you find the data?

A. On the bills themselves.

Q. Where are those bills?

A. They are in the files,—all of them.

Q. Can you point them out?

A. If I had the bills here I could identify them.

Q. When did you make this computation?

A. It was some time after the Climie-Rynd committee made their report,—I don't know, it might have been a week, or two weeks, or a month.

Q. Have you examined the bills since that time?

A. I have not.

Q. There seems to be a bill of disbursements for '73-4; now then, give us the different bills upon which you paid interest, and the time for which you paid it?

A. Well, sir, the first bill I come to on this list is under date of November 14th, 1873,—an acknowledgment of a draft of \$278.58. I would compute interest upon that from November 14th, the date at which it was paid, to the 30th of June following. The next bill I come to is September 11th, 1873,—an express charge. I paid the express company 75 cents, and would compute interest on that from September 11th to the 30th of June. The next bill I come to is the Tribune Printing Co., dated on October 2d. I would compute interest on that (\$12.17) from October 2d to the 30th of June. The next bill I come to is James Mack, 24 days' work at the laboratory, \$60,—paid on the 27th of October, 1873. I would compute interest on that from that date to the 30th of June. The next bill I come to is the bill for gas, \$14,—paid on the first of July. I compute the interest on that until the 30th of June next, one year.

Q. Did you pursue the same course with all the bills.

A. Yes, sir. My recollection is that I pursued the same course with all of them.

Q. I understand you that this is the system by which you computed interest for all preceding years?

A. Well, sir, not with the same care.

Q. Was it upon the same hypothesis?

A. No, sir; it was not.

Q. What was the difference in the manner in which you computed interest for other years?

A. You understand this is not the interest I charged the University.

Q. What is the difference in your system for other years?

A. In the previous year I did not give the University credit for any interest on deposits. That was subject to call; but this year, as a matter of experiment, I did that to see what the difference would be between one and the other mode of computing.

Q. I understand you that the items represented here from October to June 30th embrace all the money that you received from the laboratory department and the University between those dates?

A. Yes, sir. My recollection is that that is the mode on which it is computed.

By Mr. Taylor:

Q. Prior to 1864, if the student paid you a deposit of \$10 and took one of your tickets, went to work and worked out his \$10 but never returned to you his ticket, in what manner did you account to the University for that money?

A. Prior to '64, except many years previous, students did not pay me \$10: they paid it to the professor in charge of the laboratory, as it is now paid.

Q. If they never returned the ticket to the professor?

A. If it came into my hands it was credited to the University?

Q. In case they never returned the ticket?

A. It was credited to the University. The person in charge of the laboratory had a memoranda of all the tickets he issued.

Q. Where is that memorandum?

A. I don't know. I am unable to say where it is; it may be in the files of the Secretary; I never looked for it. Those books, when they became burdensome, have been transferred to the hands of the Secretary from time to time, and I have no knowledge of them beyond that.

Q. Have you seen this memorandum since '66?

A. No, sir. I don't remember that I have ever seen it since the transactions occurred, since my report was made.

Q. Right here let me ask you if you have turned over all books and papers belonging to the laboratory before 1866?

A. I don't know of a single scrap of paper as big as my hand that pertained to the business of the University or the laboratory in any form whatever, that is not in the hands of the Secretary of the Board that has not been turned over to the Secretary of the Board or some committee authorized to receive it.

Q. Have you always had a ledger in the laboratory?

A. Well, the first year before the laboratory was built, in the summer vacation, we had a little affair of four or five tables put into the basement of the medical college during the few months of the last part of the year. It was an experiment to see how the thing would work. That was only for one year. I think possibly it was carried on for two years for half a dozen students.

Q. About what time was this?

A. It was the year previous to the erection of the laboratory.

Q. When was that erected?

A. I shall have to refer to my memoranda to get the dates of that; it will take a little time to do that. I have no date to which I can refer here; the proceedings of the Board will show that. I cannot state the year.

Q. Can you state anywhere near the year? Was it before 1850?

A. My impression is that it was about 18 or 20 years ago, but I would not want to be positive. It is a matter to which my attention has not been called.

Q. After the first year you had a ledger, and you had books connected with the laboratory?

A. I think we had when we became fairly organized.

Q. You have turned over all of those books and accounts of the laboratory to the secretary of the University?

A. I am not aware of a single book. I never had one of them in my possession. They were taken from the laboratory by the Secretary when they became burdensome. They were placed in the hands of Mr. Burleson.

Q. When did you first turn them over?

A. I can't recollect that,—from time to time as they became bulky and were in the way in the laboratory they had been taken from there and deposited with the Secretary.

Q. We were unable to find them?

A. I have no knowledge: know nothing about them. Mr. Bennet perhaps may find a box with them in. He has probably found them a little troublesome to take care of. I presume they could be found. I do not know why they could not be.

Q. When a student had received one of your tickets prior to the year '66, is it not true that he kept the ticket in his pocket, and when he had completed his course his table was invoiced back and the amount he had had was indorsed on the back of his ticket, and is not that the only record ever made of it?

A. The ledger, I suppose, shows it,—should show it.

Q. It seems there are no ledgers to show it?

A. There are some ledgers. We had them here yesterday, as far back as '61-2. Here is a ledger from '60 to '64. That would embrace almost the entire work of the laboratory. By referring to records to see when the laboratory was erected, I think that would almost cover it, perhaps quite. There may not be any other book.

Q. You said in your testimony in June last that in the year '72-3 you make the deficiency \$10 less than the accountant, and that that \$10 is accounted for by one of the vouchers being found by the committee that afternoon in one of the packages where it did not belong. Now, if you had properly accounted for that voucher in your annual statement, what difference would it have made whether the certificate or voucher was found or not?

A. I really do not comprehend that. I would have to study it a half a day to get at it.

[Question repeated.]

A. If I knew just what the transaction was I could trace it out and answer the question; but I have forgotten all about it.

By Mr. Kelley:

Q. In your report of '72-3 you account for \$10 more than the vouchers show?

A. Yes, sir.

Q. When you were under examination in June last you found a voucher corresponding to that \$10 of excess in your report.

A. Is that what it means?

Q. Yes. The question, I presume, is, what difference did it make whether a voucher was misplaced or not as to your account.

A. One account would appear short in one year and the other would appear as a surplus. That is all. I would be represented as short \$10 in one year, and another year I suppose I would be represented by the committee as in excess.

Q. Was not this voucher for '72-3?

A. I do not know.

Q. Was it for a different year,—the voucher which you found?

A. I suppose it was out of place.

Q. Was it for a different year?

A. That is what I mean; in the handling of the voucher it got out of its proper year.

Q. Was the voucher itself a voucher which ought to have gone into the report of '72-3?

A. I have forgotten.

Q. If it was such a voucher and you had reported it, what difference could it make if it had been displaced?

A. It would make a difference in that year.

Q. Would not the examination show that the voucher should have been reported that year?

A. Yes, sir.

Q. If you report it?

A. If I did not report it.

Q. Didn't you report it?

A. I don't know.

I desire to introduce,—and perhaps here is as good a place to introduce it as any—a statement of the accounts of the University. Last summer, in May I

think it was, I saw that the handling of those vouchers by so many persons there was likely to produce confusion, and had already produced confusion, which has been pointed out here. Vouchers would get out of their proper place, out of their proper package. I employed an accountant, having first gone over the ground myself, to review my work carefully, to this effect: to take all the vouchers that had been surrendered, and check them off by my reports one by one, and see whether my reports exactly corresponded through the entire period of time, with the vouchers on the file. My own testimony is to this effect: that without a single exception every voucher in the files checked with my report. My own testimony to that effect, and the testimony of an expert accountant, who did all that work, will I have no doubt be of the same effect. I have here a compilation of the whole of that statement, and with a statement of my account, compiled in one account from the year '64-5 to the present time, showing the number of vouchers.

Q. Did you wish to introduce it as testimony?

A. Yes. The papers will tally right through,—the vouchers in my report, without exception.

By Mr. Hinchman:

Q. Credit vouchers as well as debit!

A. Yes, sir. The debit vouchers are condensed in years, not in detail, and the credit vouchers are all given by the number of the vouchers; and where there are any receipts to the laboratory outside of vouchers, the source of those receipts are given in the statement. The number of the vouchers give each year, and the amount and dates of receipts from sources independent of vouchers.

The disbursements are condensed by years.

[The paper is produced in evidence and marked "Exhibit I."]

Q. Was this introduced in evidence before the Climie committee?

A. No, sir; it was not; it was made before the Climie committee made their report.

Q. Was it made at the time of the Grant-McGowan committee?

A. Yes, sir; before that.

By Mr. Taylor:

Q. At the first investigation did you not state in June last that you did not call Rose in then, but decided to go over the accounts first with that "committee," what is it you call it?

A. Side-show will do!

Q. Yes; the informal examination?

A. I presume I stated so. That is the fact.

Q. How much do you claim the University now owes you independent of salary or stub account?

A. I don't recollect any unsettled accounts that I have in the University except the statement I just put in. The laboratory owes me \$2,263. I think that is the sum which the paper will show.

Q. What does that indebtedness arise from? When and to whom and by whose authority did you advance money for the University, or the laboratory department of the University?

A. It arises from advances of money to pay the legitimate expenses of the laboratory upon accounts, the vouchers for which had either been audited and allowed or have been for a long time in the hands of the board for auditing, and

for [to] which accounts no objections have been made. My last year's account was filed about the time of this difficulty, and in consequence of this difficulty I suppose it has not been acted upon. I do not know what reason there is. No objection has ever been made to the vouchers that I am aware of.

Q. Did the Board of Regents authorize you to advance this money?

A. I do not suppose that there is upon the records of the Board of Regents any direct positive authority; but they have recognized in all their auditing of my accounts the fact that I did advance money. They paid me interest on those advances. The matter has been repeatedly stated to the Board that I made such advances, and it was, if not a direct authority, with their full knowledge. I think I never formally asked them to consent to it. It was necessary, in carrying on the work of the laboratory, that some one should make these advances.

Q. You also stated in June last that you did not keep a cash book at the laboratory, but kept one at your house, and kept every account in it except the stub account. Where is that cash book?

A. In the hands of the Board.

Q. The one that you sent up this morning?

A. No, sir; the book that was introduced in the first place.

Q. You also stated that you did not remember of keeping any memorandum of accounts between Rose and yourself except for the year 1873-4. Have you that memorandum? If so, produce it.

A. I do not really know what that refers to.

Q. You don't remember keeping any memorandum of accounts between yourself and Dr. Rose except for the year 1873-4?

A. I suppose that refers,—I don't know to what that refers to. I would like to see the testimony, if I have given anything of the kind.

Q. Do you recollect any such memorandum?

A. No, sir; I can't recall anything of the kind.

Q. Do you recollect so testifying?

A. No, sir; I do not. I cannot recall the circumstance.

Q. Have you nearly always kept a fund in your hands for the purpose of covering the expenses of the laboratory, and was that also the case when you were Dean of the Medical Faculty?

A. My bank book will show what money I kept. I always met the bills of the laboratory promptly.

[Question repeated.]

A. Belonging to the University?

Q. The laboratory.

A. Specific fund I suppose it refers to.

Q. I will read it once again.

A. I think I understand it. I have always kept money enough to meet the bills of the laboratory and meet all other contingencies that might arise in the laboratory on all occasions, and when the laboratory was not in funds, I have borrowed money at the bank to pay laboratory bills, and once or twice I have given my note.

Q. Did you authorize your attorney, Mr. Hughes, to make a statement to that effect to the McGowan committee in June last, in reply to the Dr. Lewitt letter?

A. I don't know as I did, in that broad way in which it is given there. I will state that I always met the bills in the laboratory promptly, and kept money for that purpose.

Q. Did you authorize your attorney to make any statement upon that subject?

A. I have no recollection about it; I don't remember. I might have done so, and I might not.

Q. Did you also state in your said testimony, in reply to the Lewitt matter, as follows: "I also stated to the faculty that the same thing was necessary with reference to the laboratory,—that it was necessary that I should withhold money from the Regents in order to pay the expenses of running the laboratory?"

A. Did I make such a statement?

Q. Yes; that is the point. Did you so state?

A. I made no such statement in the sense in which it is given there. It is a mutilated extract from my testimony. I should think it was a mutilated extract from my testimony; perhaps I use a little too strong language in that; I don't know. I have never stated anywhere nor at any time, to my knowledge, that I withheld money from the University to pay laboratory expenses, that I had any secret fund, or secretly withheld anything. I stated in that testimony, as I state now, that all balances in my hands were correctly represented by my reports,—yearly balances.

I beg to correct one statement that I made yesterday. It seems that I was laboring under a mistake. I stated with reference to cutting those letters out from the stub-book that they were cut out in the presence of Dr. Angell. From a note that I have just received from Dr. Angell it seems that they were not cut out in his presence, but after I had cut them out I called his attention to it, stated what I had done, and called his attention to it.

Q. Who was present when you cut them out?

A. I think Mr. Bennett. I never had access to the stub-books or anything pertaining to them, except some one was present, after these examinations commenced. I never had in my possession for a single minute any portion of the documents, or anything pertaining to it, until, as is stated here, after the Douglas committee commenced. This was done after that.

By Mr. Hinchman:

Q. Is this cash book of yours entirely in your handwriting?

A. No, sir.

Q. Whose writing is that part of?

A. I don't remember who did write that.

Q. Do you recognize the similarity between that writing and the writing on some of the stubs?

A. No, sir; I do not now.

Q. Especially one name of "Douglass?"

A. I do not recognize it. I cannot recall who wrote that. It is not my writing. I got some one to copy it in the book.

Q. Did any person ever make a settlement with Dr. Rose except yourself?

A. No.

[The letter of Dr. Lewitt was here read to the witness.]

By Mr. Taylor:

Q. Did you also state in your examination before the McGowan committee: "I also stated to the faculty that the same thing was necessary with reference to the laboratory, that it was necessary that I should withhold money from the Regents in order to pay the expenses of running the laboratory?"

A. I think my testimony will show what I stated, in the proper connection, and fully explained.

Q. What is your recollection of such statement?

A. In the sense in which it is quoted there, I did not make any such statement. My recollection is—

Q. Will you tell any case in which you so withheld money from the Regents?

A. I never withheld any stated amount of money from the Regents.

Q. No stated amount of money?

A. I always reported the balance due the Regents; as my reports show I never had anything that was withheld from them.

Q. Did you report all the balances?

A. I did.

Q. If you withheld the money and only made annual statements to the Regents, will you give us any one of the annual statements in which you accounted for the money withheld the previous year?

A. I withheld none, I said.

[The attention is here called, of the committee, to pages 10, 13, 14, and 15, of Dr. Douglas' testimony, taken June 9th, 1876, with reference to the Lewitt letter.]

Q. How does it happen that you would charge interest nearly every year on money advanced to pay running expenses, when you at the same time had money from the Regents for the same purpose?

A. I had not money from the Regents for the same purpose. It is not true.

Q. It has been stated that your annual reports were all audited and passed by the Board of Regents; will you show me any record thereof?

A. I exhibited records yesterday; that is, I pointed to the date and page.

Q. You testified in June last that Rose never gave you a check, but always paid you in currency at the time of the settlement. Do you still adhere to that statement?

A. I don't recollect to have made such a broad statement as that.

Q. Did Rose always pay you in that way?

A. Yes, sir; very rarely that he paid me in a check. I think I can remember one check that he paid me. He may have paid more, but as a general thing he paid me in currency, and it was very common for me—more than once—to reprove him for carrying the currency about his person so much.

Q. What was the amount of that check which he did pay you?

A. I have no recollection of the amount or date.

Q. What year?

A. I can't tell you the year. I have a vague recollection of it,—that sometime he gave me a check.

Q. Was it a very large amount?

A. I could not tell you that. It is a thing that did not impress itself upon my mind in any form whatever. He may have the check; he ought to have it.

Q. Did you not testify in June last as follows: "I have been disappointed that the receipts of the laboratory have not come up to my expectations and calculations, and I frequently called the attention of the assistants to the wastefulness to which I attributed the loss?" and do you adhere to that statement now?

A. I stated so yesterday, I think.

Q. You still adhere to that statement?

A. Yes, sir. I frequently reprove the assistants for loss and carelessness, and have occasionally made spasmodic efforts to reform in that direction, calling their attention to the opening of fresh packages when there were old pack-

ages not consumed, etc., and so on; wastefulness and imperfectness in the charging of accounts, etc. I have often reproved those connected with the laboratory, and sometimes in almost an offensive way to them.

Q. Did you intend by that statement to convey the idea that you had for a long time been cognizant of the fact that the laboratory had a leakage somewhere, but that until this defalcation was discovered you did not attribute the deficiency to dishonesty but wastefulness; but that you now attribute it to dishonesty?

A. I did not make any such statement.

Q. Did you intend by that statement that you made in your answer to this question to convey that idea?

A. I do not know that I intended to convey that idea, but at times I would be disappointed with the working of the laboratory; at least I thought it was my duty to take a sort of oversight of all those things, and sometimes felt as though there was carelessness.

Q. Did you ever have a suspicion that there was leakage?

A. No; I never had the remotest suspicion that there was anything dishonest about the laboratory for a single moment up to the time this thing came upon me. I stated that over and over again.

Q. Any leakage aside from dishonesty did you have a suspicion of?

A. I do not know what you mean by leakage aside from dishonesty. I have sometimes censured as I say, those assistants in the laboratory whose business it was to take care of all the property of the laboratory and see that it was properly dealt out. I have sometimes censured them for carelessness and want of cleanliness. I do now,—always did.

By Mr. Mills:

Q. Did you attribute any material loss to the laboratory from carelessness?

A. No, sir; I don't know that I did.

By Mr. Taylor:

Q. Did you not also, on a subsequent day before the same committee, testify as follows: "Upon a general survey of the ground I could not understand why so much money should come into the laboratory, and I could not see how it was unless by excessive charges?"

A. I may have said so.

Q. Did you not also state that the accounts of the students were kept during the year '64-5 and prior thereto the same that they were after Dr. Rose took charge of the books?

A. I cannot precisely recall the date of these charges. I may have said so; probably did. If I did say so I referred to minutes that I had before me.

Q. Were the accounts of the students kept during the year '63-4 and prior thereto the same way they were after Dr. Rose had charge of the books?

A. I cannot precisely recall the time when the card vouchers were abandoned and the present receipts substituted,—the precise date,—whether it was immediately after Dr. Rose came or about the time Dr. Rose came. The documents will show for themselves.

Q. Was there any ledger kept in connection with the card system?

A. The ledger that you have here was kept.

Q. Is that the only one?

A. I cannot recall. I cannot go back 15 or 18 years and say precisely what was done. We have always kept books in the laboratory of some kind. They

may have been turned over to the proper authorities where they belong; should be preserved. I presume they are preserved.

Q. Is it not true that quite a number of tickets were returned to the steward that year, the backs of which tickets and the ledger accounts not agreeing in that the ticket shows a much larger account than the ledger?

A. Yes, sir.

Q. Where were such accounts kept?

A. They were kept in the ledger. It is true in the time of Mr. Hough,—as I stated yesterday Mr. Hough was no accountant, I have no doubt of his honesty,—and he returned to me tickets for a much larger amount than is found upon the ledger. Those tickets are here and speak for themselves. Mr. Hough remained for one year and was then discharged.

Q. Is it not also true that quite a number of tickets were returned to the steward for the year '64-5, on the back of which tickets and the ledger accounts do not agree in that the ticket shows a much larger account than the ledger,—where were such accounts kept?

A. I have said that there was a discrepancy between the tickets and books. As a general thing the tickets called for more money; more money was accounted for to the Regents than the ledger called for. The ledger was kept very carelessly. If Mr. Hough were here he could testify where he put it on the ticket, I suppose. It was a transaction of his not mine, and hence I am unable to say. Mr. Hough was not retained in service because of his incompetency to perform the duties—his carelessness; but that he returned more money to me than the ledger calls for shows pretty clearly that he was honest.

Q. Where is Mr. Hough?

A. I do not know. The last I heard of him he was in Ohio. I have not heard of him since he left here but once.

By Mr. Hinchman:

Q. Was it any part of your business to see that the books were kept properly.

A. I suppose, as far as general oversight of the laboratory, probably it might be considered my business to take care of the property of the laboratory,—generally to see that it was properly cared for. It is no part of my business to keep the books.

Q. Why did you not overlook the books and see that they were kept correctly?

A. I do not know of any reason why I did not except my entire confidence in Dr. Rose.

Q. At the time Mr. Hough was there?

A. I did, and discharged him when I saw that he was a failure, or caused his discharge.

Q. Why did you not overlook the books from '71-4-5 to see that they were kept as they should be?

A. I have probably had—I think no member of the faculty will deny that—the most laborious position in the University of Michigan, and I had not the time to go through those books and examine them and foot them, to look after all the details of them,—no time to do it; and to have asked me to have paid all the accounts, and examine them in detail, of the laboratory, would have taken more time than I could by any possibility give it.

Q. We see by examination of the ledger for the year above mentioned, '64-5, that only nine subsequent payments were entered upon the ledger for the whole year, whereas the tickets returned for that year show a large amount of subse-

quent payments: where were the accounts of those subsequent payments kept, and how could you settle with the students for those subsequent payments?

A. Mr. Hough settled with the students and certified to me the amount he received from the students. I returned to the Regents the certificates of Mr. Hough.

Q. How can you now ascertain that all that have been settled for have been properly accounted for to the University, or that all the accounts have been settled for?

A. I do not know unless you get Mr. Hough's testimony, except my testimony. I can testify that I returned all that I received from Mr. Hough.

Q. In what manner did Mr. Hough certify to you the amount that he had collected from the students?

A. By an endorsement upon the card of the amount, with his name or initials. Those cards can be found.

Q. Does it not appear from the tickets returned and the ledger that the deposits, if any were made, frequently never were entered upon the ledger?

A. I do not know, sir; very likely it does appear. I have repeatedly stated that Mr. Hough was a \$150 man, and a dear one at that, perhaps.

Q. Did Mr. Hough receive the deposits for that year?

A. I think that Mr. Hough, as a rule, received them. There may be some of those deposits of that year that were received by me,—some tickets. They will speak for themselves.

Q. In such cases, if the tickets have been withheld, what evidence does now or ever did exist that such deposit money had ever been received by you?

A. Mr. Hough kept the memoranda of all the deposit moneys. The memoranda may be in some of the papers in the hand of the Secretary, or it may not; I do not know. We kept memoranda with the students. I think in no case money was paid directly to me. It was accounted for between Mr. Hough and myself properly. He may have been absent from the laboratory, and some one come in and pay me his deposit.

Q. Is it not true that for the years 1864-5 there are a good many tickets returned to the Steward for which there are no corresponding accounts in the ledger?

A. I do not know; it is very likely it is. As I have stated before, the University recieved more money than the ledger called for.

Q. Is it not true that out of 180 deposits rendered in that year you received 173?

A. I do not know; it may be.

Q. What evidence is there that the University has received the money from all that class of accounts?

A. The evidence of vouchers that were returned.

Q. Is that all?

A. My accounts. I do not know of any other evidence there is. If a deposit was made to me this money was accounted for to Mr. Hough. In so far as the deposit was concerned, it was a joint matter between us, and I would give him a memorandum of it, as I have always done between Dr. Rose and myself. I held him accountable for all the receipts of the laboratory, to me on the part of vouchers.

Q. What did you do with the memoranda you received from Hough?

A. Those are memoranda themselves that I have passed in here,—temporary things that were torn up unsettled.

Q. Did you receive any memoranda from Hough showing the amount of money that he, Hough, had received?

A. Yes, sir. If you will give me those card vouchers in the Hough time, I can explain that very quickly.

Q. Aside from the card vouchers?

A. No further than they are in my accounts.

By Mr. Kelley.

Q. Had you any original memoranda from Hough in your account?

A. No, sir; not that I know of.

By Mr. Taylor:

Q. Suppose that the tickets for all those accounts had been withheld, what evidence does not or ever did exist that such students ever had an account with the laboratory in this class that did not appear on the ledger.

A. I was never aware, until about the termination of Mr. Hough's period, of the state of Mr. Hough's accounts. He was there but a single year, and I have not reviewed the ledger very carefully since, but I know there are—

Q. Suppose that the tickets for all this last class of accounts had been withheld, what evidence does now or ever did exist that such a student ever had an account with the laboratory?

A. I do not suppose there is any evidence. The fact is that quite a large amount, how much I am unable to say, but quite a large amount, was accounted for to the Regents that is not on those books at all, and never was.

Q. Who accounted for it?

A. I accounted for it myself, but Mr. Hough accounted to me; never entered it on those books, and I accounted for it to the Regents,—how much Mr. Tregaskis will be able to tell.

Q. From an examination of the ledger and tickets returned that year, it appears that the deposit of such payments, and even the student's names, were frequently entirely omitted from the ledger, sometimes one and sometimes the whole of them were omitted. Now under such a system of keeping the books and accounts, can the Regents or anybody else now ascertain whether all the money that was received from students that year has been accounted for, and if so, how?

A. I don't know of any way unless you send for the books that were in the laboratory and get a statement from them.

Q. Is it not also true of that year that there are several accounts appearing upon the ledger in which no deposit was made, and for which no ticket has ever been returned to the steward?

A. I think it is true in that year, and it was true in all the years. I think Dr. Rose's books will show that.

Q. Are not such accounts equivalent to stubless accounts?

A. I take it that such accounts are of this nature, or the inference from the examination of the books would lead to that—

Q. Answer the question. Are not such accounts equivalent to stubless accounts.

A. No, sir; I don't understand that they are.

Q. Did you not receive all of the deposits for that year? If not, who did, and how many did anybody receive?

A. I can't recollect. It is a matter between Mr. Hough and myself. He kept the books and accounted to me. It was a joint matter to some extent.

With reference to Mr. Hough I will state, as I have repeatedly stated here, that he was a very poor accountant, and he was discharged on that account.

Q. Since 1864 at what time have you been in the habit of making your annual statements?

A. I make out my annual statements usually between Wednesday and Saturday of the week preceding the last Wednesday in June. I would usually make them out in time to get them in to the Board of Regents at their meeting at commencement, which occurs the last Wednesday in June.

Q. Is it not true that you have always, except for one year (from '64 to '75), presented your annual statement to the Board of Regents at the June meeting thereof? If not, state what years you presented them at any other meeting than the June meeting.

A. I shall have to refer to my memoranda with reference to that. The records of the Board show. The records of the Board show that from '58 to '74 I presented my annual accounts at the June meeting of the Board of Regents.

Q. Are there any years in which you presented them at any other time?

A. Only the year 1874. It was presented the 9th of October, '74. The reason for not presenting it in June was that I was so much engaged at the commencement that I had not time to make it out.

Q. Since 1864 can you show any record that the Board of Regents or any committee thereof has passed upon or allowed any one of your annual statements? If so, please show the record in what year they or any of them have passed upon or allowed such statements?

A. I have already referred to the record of all those years, page and date.

Q. In your yesterday's testimony?

A. Yes, sir.

Q. At what time in the year did you make out your annual statement in those years in which the record of the Board of Regents shows that you presented them at the June meeting thereof?

A. I have already answered that. I usually make it out between Wednesday and Sunday, or Saturday, inclusive, of the week preceding Commencement.

Q. Is it not true that the medical college opened in October, and closed in March of each year?

A. Yes, sir.

Q. Was not the work in the laboratory usually done during the same period of time, between October and March?

A. There was work done between those dates, undoubtedly.

Q. Are not most of your students present at that time of year?

A. I see the force of the question. The laboratory is most crowded during the session of the medical college.

Q. Most of the students belong to the medical class?

A. A larger portion of them.

Q. Is it not true that as much or more money was received in the month of October, than any other month of the year?

A. I hardly think it was true.

Q. Is your laboratory usually full at the commencement of the year?

A. Yes, sir.

Q. Generally more applications than you have desks?

A. Yes, sir; but the accounts are not settled until the close. They do not begin to settle the accounts and pay them up in full until from the first of the month of January. The students make their deposit when they enter, but the

final settlement of accounts, when the heaviest receipts come in, in January perhaps, is the heaviest receipt of any. The second deposits are made along in the months of December and January, and those second deposits as a rule, this stub-book shows, have not been paid me at the time they were made, as they should have been.

Q. Is it not true that there was a meeting of the Board of Regents held on the 14th, 15th, or 16th day of October, '75,—only two or three days before you and your son were at work on your annual statement, as sworn to by you?

A. I don't recollect when the Board met. I have no recollection about it now. I refer to the records. I could not say whether they met at that time or not.

Q. Do they not generally have an October meeting?

A. They usually have a meeting in September or the first of October, and probably did this year.

Q. Is it not true that at that meeting Regent Rynd introduced the resolution found on page 84, October 15th, '75, which reads as follows: "Resolved, That the director of the chemical laboratory shall in future present quarterly estimates covering all proper purchases; that all money received for the sale of chemicals to students be duly accounted for and paid quarterly into the treasury; and further, that duplicate vouchers be presented, as in all other departments, covering all his payments, in accordance with the existing law?"

A. I suppose the records are correct.

Q. Is it not true that you opposed the passage of that resolution?

A. No, sir; it is not true that I opposed the passage of that resolution. I had no objection to the resolution whatever, except in one particular; and I so stated, I think, to the board. Perhaps I ought to qualify the opposition to the passage of that resolution: I said, if I remember rightly, to the board that there were practical difficulties in the carrying out of that resolution in one particular, that I did not see how it could be overcome; and I cannot now. I will state the same thing, that is, that quarterly estimates should be made of the receipts and disbursements of the laboratory. I stated to them that I could not make estimates that would be anything more than approximations. It would only be a source of embarrassment to me; that the wants of the laboratory occurred daily. I could state as a matter of fact there has not been a single day, I think, this year,—I speak of this year because I recollect it,—that I have not had to make some purchases for the laboratory. The assistants all know of this fact, and their testimony can be produced here if you wish it. This was the objection that I made to them. As for duplicate accounts and duplicate vouchers, or any system of vouchers that might be adopted, I never made the least objection to it. I understood at the time that this resolution was considered as necessary with reference to duplicate vouchers, to comply with the act of the Legislature of the previous year, and I have no disposition or desire whatever to interfere with the acts of the Legislature in any system of accountability which they might adopt; and my report for the year to which this refers, I think was before them at the time. I don't know that it was before them at the time of the passage of that resolution, but it is now here in the files; every voucher for that year is in duplicate. I understood that resolution, with the exception of the estimates and some of the details, to refer entirely to the system of vouchers that was required by the act of the Legislature, which I never made any objection to, and do not object now.

Q. Did you not, according to your testimony, make the discovery of this de-

falcation, which according to your testimony had been going on for ten years, within three days after Regent Rynd's resolution was passed by the Board of Regents?

A. I don't know whether it was within three days, three weeks, or three months. If the dates I have given show it three days, it is three days. It had no relation whatever to that, for I had accounted for everything by vouchers, and this did not add to the accountability one whit.

Q. For how many years prior to October 18th, '75, was your son in the habit of assisting you in making out your annual statements?

A. I have three sons.

Q. Either of them?

A. I have in my duties found that I could use my sons to some advantage, and have often placed the material in their hands for making up my annual statement; had them make it up, and it will be found in the files to be in their handwriting, sometimes one and sometimes the other. I called upon them for their assistance.

Q. Did you not say in your testimony that after you and your son had finished making out the statement, that, as had been your custom before, you and your son began to discuss the scholarship of various students as compared to the amount of their accounts?

A. The manner in which it is stated there conveys an impression somewhat different from what I intended to convey.

[Question repeated.]

A. I don't recollect that the son who was assisting me then ever assisted me in making out my annual statement before. He may have done so and may not; but what I intended to say—if I did not make it clear it was my fault probably—what I intended to say was that the question of scholarship and amount of material used in the laboratory was often a matter of discussion between us, and with the different men connected with the laboratory. Professor Prescott and I have often talked about it ourselves, that the poorest student in the laboratory had the largest bill. We had some curiosity in that direction, and this was the curiosity we were indulging in. My son was assistant in the laboratory, and had been for some little time, and we were indulging in that curiosity at this time.

Q. If it had been the practice between you and your sons to discuss this matter at the time of the making of your annual statement in previous years, and if, as you claim, the defalcation was heavier for the year '73-4 than for the year '74-5, how does it happen that you did not discover that there were missing vouchers at some of the other conversations about this same matter?

A. The answer is embraced in the answer to the other question. I do not know that such a conversation ever took place at such a time before, at that particular time, for I do not know that my sons ever assisted me at that time. My other son was not instructor in the laboratory.

Q. I understood you to say in your testimony that it had been customary to compare the scholarship?

A. We had often. Dr. Prescott and myself had often made such comparisons by looking over the account, and we had made statements. I have here before me compilations of statements that were made at different years touching that very point, made by Professor Prescott. I only mention that to show that it had been a matter of discussion between us, and this discussion at this particular time happened to spring up with my son at the time we were making

this annual report. It was a mere chance,—the merest chance in the world. I have these statements here.

Q. If it had been the practice between you and your son to discuss this matter at the time of the making of this annual statement, or between other persons who helped you make them in previous years, and if, as you claim, the defalcation was heavier for the year '73-4 than '74-5, how does it happen that you did not discover that there were missing vouchers at some of the other conversations about this same matter?

A. Because we never happened to strike upon a person of known confidence and integrity, as Miss Hubbard for example, that had not paid their accounts. It was a chance that we happened to hit upon these parties at the time we did. If we had done so before, it is very likely that the same result would have been attained. Miss Hubbard, Mr. Pantlind, and Miss Thomas were persons that we knew personally, and knew them to be persons of integrity and honesty, and we could not believe that they would graduate from a college and leave a bill unpaid. We happened to hit upon them. It was an accident.

Q. During all the time Rose was in the laboratory, was he ever required or permitted to make a settlement with the Regents for the money he received at the laboratory?

A. I don't know that he was ever required to make a settlement with the Regents except through me.

Q. Was he ever permitted to?

A. I don't know as he ever asked it.

Q. You say now that it was a part of your duty to see if the accounts were properly kept. Did you not swear before the McGowan committee in June last that you did not look after the keeping of the accounts because it was not a part of your duty?

A. I say I always recognized it indirectly as a part of my duty to look after all the affairs of the laboratory.

Q. Did you not so testify?

A. I may have done so; I don't say that I did not. I think the testimony was qualified with an explanation which would make it intelligible and consistent all the way through.

Q. Was there ever a year in which you settled with Rose once in each of the twelve months of the year?

A. I think the package that you have before you, that we had here on the table a few moments ago, contains twelve wrappers and twelve settlements.

Q. I want you to answer that question,—was there ever a year in which you settled with Rose at least once in each of the twelve months of the year?

A. I understand what you mean now. The vacation months are not likely to have any settlements in them. They may or may not.

Q. Did you ever settle with him twelve times in any one year? if so, what year?

A. I refer to the year 1873-4. I have not counted up the number of settlements. As I have already stated, my practice was,—although not always followed, because I was often interrupted by other duties,—my practice was to go to him for settlement on the first Monday of each month, during term time as a matter of course.

Q. When you went to settle with Rose at those monthly settlements after you had put the *D* upon the stub tickets, how did you indicate the stub where you

commenced to affix your *D* at that settlement, so that you could tell where to commence back and count up the stubs?

A. Well, usually we placed some mark across with a pencil. I think it was very common to take a pencil and make a cross of this kind at that point, so that we could count them up. Sometimes we would put a piece of paper in there to keep the place in view. I do not know that the cross could always be found there. I have not examined it with reference to that, but there was something to indicate so that we could count them up properly, commencing where we had begun.

Q. Did it not often happen in affixing the *D* to the stub that you would turn two leaves and skip a stub and sometimes two?

A. I can't tell; I presume not. I don't know why I should count them wrongly in that way, and count money out of my pocket.

DR. DOUGLAS RECALLED.—FEB. 1, P. M.

By Mr. Taylor:

Q. Before Mr. Climie commenced to investigate this matter, had you already cut out several letters *D* from the stubs?

A. I had, sir.

Q. What did you cut them out for if your attention had never been directed to their genuineness?

A. I stated my reasons yesterday afternoon in full for cutting them out, and also qualified and stated further with reference to it this morning.

Q. Can you give any other reason why you kept your account in pencil after 1866, while before that you kept them in ink, than such as you have already given?

A. I have not given any reason that I know of.

Q. Can you give any reason?

A. Except a matter of convenience, entering them with pencil. I do not consider they were public records at all. I entered them with a pencil because I thought it was more convenient to do so.

Q. As a matter of fact, after Rose introduced the system of stubs and vouchers into the laboratory, there would be some record there, if properly and honestly kept, by which you could ascertain whether your book really accounted for all the money or not.—would there not?

A. As a matter of fact Dr. Rose never introduced the system of stubs and vouchers.

Q. Who did introduce it?

A. I did myself.

Q. What year?

A. In the year in which it was introduced.

Q. Did Dr. Rose suggest it?

A. I have no recollection of his suggesting it. He was under a small salary, and it is not very likely he would suggest it. He was entirely new in all the workings of the laboratory.

Q. As a matter of fact, after this system was introduced, of stubs and vouchers into the laboratory, there would be some record there, if properly and honestly kept, by which you could ascertain whether your book really accounted for all the money or not,—could there not?

A. If the books were properly kept there would be a record. Mr. Hough left the record behind him of his transactions.

Q. Is it not a fact that since 1866 your book and annual statement are duplicates, and the entries in your books mostly made with pencil? and a large number of entries in your annual statements are also in pencil, are they not?

A. My reports are supposed to be duplicates of that book. I have not compared them, with one exception. The report that is lost that I have already stated, which I duplicated from the books, was a correct duplicate from the report made. I have, however, usually made up my reports from the vouchers themselves,—vouchers of receipts and disbursements; and in making up the annual reports I have frequently gone to this book that I have referred to, and if there were any entries there, such as entries for traveling expenses, for example, they would not appear [upon?] the vouchers; those would be entered in the report. Beyond that I do not know of having compared the accounts on the books with the reports.

Q. When Regent Climie and Rynd commenced to investigate this matter, did they not ask you in the presence of Mr. Tregaskis if you had any book or books which you kept which would show anything about the money you had received from the laboratory, or words to that effect, and did you not tell him you had none?

A. I have no recollection of any such conversation. Such a conversation may have occurred, but I had nothing to enlighten them with reference to the accounts more than is contained in my annual report, and these books are duplicates of my annual report. I have no recollection of any such conversation. If such a conversation occurred, it was of that nature, or should have been of that nature,—that the book that I submitted here is a duplicate of those reports. I do not recollect that any such conversation occurred. I had a conversation with Mr. Pond—

Q. As a matter of fact, could not a man of ordinary capacity, if he felt so disposed, take your annual statement since 1864 and make a duplicate of the memorandum book which you have given the committee? If not, in what particular could he not?

A. I suppose he could make a statement from it.

I was going to say, with reference to that book, if you will allow me, that last summer, during the investigation of the last committee, in conversation with Mr. Pond with reference to this, at my room, I incidentally remarked that I had such a book, and he expressed great surprise that I had not produced it; and I said to him, if I remember correctly, "This is a duplicate as near as may be of my reports; why should I present it to that committee?" If I do not state in substance what occurred he will correct me I hope. I said, "Why shall I present it to the committee, or any committee?" He said, "That is the very best testimony possible; they are original entries made at the time of these transactions." I brought the book up. I said it was a rough affair, and "it is hardly suitable to present. While it is correct, it is roughly made." He says, "That makes no difference. It bears upon its face original entries, and that is the best evidence in the world;" and thereupon I did produce it to the committee.

Q. When were you in the habit of making entries in that book?

A. At the time the papers came into my possession.

Q. From what papers did you make those entries?

A. From the vouchers themselves. They are all original entries. Not a scratch of pen or pencil has ever been changed since they were made. That is the history of that book. If I did not produce it to Mr. Climie it was because

I supposed it to be of no importance, inasmuch as it was a duplicate of my report. It did not occur to me that it was of any importance to him or any body else, until Mr. Pond advised me that it was. I have a vague impression that when Mr. Climie stated to me that the report of some year was lost (if I am mistaken I hope Mr. Climie will correct me), when he stated that one of those reports was lost, I made a statement that I perhaps could supply it from a book that I had myself. I know I did supply it. Of course he must have known that I had other memoranda.

Q. What harm would there have been in it if the janitor had got to your house an hour or so with the books before Mr. Prescott had got there on the night that you and Prescott looked this matter up?

A. I don't think going to my room would have been any harm, but I think there are persons that I should have been a little reluctant to have placed it in their hands. I only answer for myself.

Q. The fact that Prescott came into your room at one door at the same instant that the janitor came in with the books at the other, was of course all an accident; but was it not the most remarkable and well-timed accident that ever occurred to you?

A. I think it was a very fortunate accident, to prevent me from being charged with mutilating those books.

Q. It was not necessary in order to enable you to get the books any night that Prescott should be at your house, was it?

A. No, sir.

Q. You stated that the deposit money was, by an understanding between you and the Regents, to remain in your hands, and no interest to be paid upon it because you were liable to be called upon to refund it to the student. Did you ever since Rose has been in the laboratory pay back to a student a single dollar? If so, state when and to what student.

A. I have already explained that. I don't know that I ever paid—

[Question repeated.]

A. I have redeemed through Dr. Rose hundreds of dollars of deposit money, and have, on two or three occasions, when I would not have the money and he would not have the money to redeem them (when and where I do not now recollect), taken the money out of my pocket and given it to him to redeem them.

Q. Did you keep any account of it?

A. I did not; but, as I stated yesterday in our annual settlement, when he would redeem those deposits, he would count out the certificates redeemed to me as so much money. If that is not plain, I do not know what is plain. I do not understand the English language if it is not. I presume that means—

Q. It means pay back to the student personally?

A. Personally, I do not. It was his business to do it. If he wanted money to pay it back he would come to me, undoubtedly. If he had money in his hands, my instructions were to pay it back.

Q. Were the laboratory books and records taken to Governor Felch's house within two or three weeks? If so, what was it for, and who was present?

A. I understand that some books have been taken to Gov. Felch's room.

Q. For what purpose, and who was present?

A. I have no direct knowledge of the purpose, but I understand,—what I learned was that Gov. Felch, as the attorney of the Board, demanded those books to be taken there to obtain certain information by Mr. Richmond, who was to get certain information from those books.

Q. Were you present at the time?

A. No, sir; I have been there, but I had very little to do with the books at Gov. Felch's.

Q. You have been present while the books were there?

A. I have been in the Governor's room or office, while the books were there, with Mr. Richmond and the Governor.

Q. When were those books there? when you were there?

A. I guess two or three weeks ago, Saturday I was in there and the books were there,—some of them, not all of them: how many I do not know.

Q. That was after this bill in chancery had been filed?

A. Yes, sir; I think so. He was preparing the case for trial, as I understood, and was desirous of obtaining certain information contained in those books that had not been brought out thus far.

Q. Was Gov. Felch retained by you in that case?

A. No, sir; nothing to do with Gov. Felch in any form whatever.

Q. Were you called there by him to look over those books?

A. No, sir, I am not aware that I was called there to look over books. Mr. Richmond and Gov. Felch can testify to that.

Q. Was Gov. Felch retained by you in the other investigations?

A. No, sir; never has been my attorney except to foreclose some mortgages that I had belonging to the estate. In no other capacity has he been retained or employed by me in any form whatever,—not even counselled with him with reference to these matters. Of course if I had counseled with him I would have paid him.

Q. Did Gov. Felch call you to his office to give him any explanation in regard to the books and accounts?

A. I don't remember his calling me there to give any explanation. I am quite sure I would recollect it if he had.

Q. Did you go there for that purpose?

A. I went there for that purpose; I desired to see Mr. Richmond and the Governor, to see if they had compiled information derived from the wrapper stubs beyond what had been previously up to that time. They had been at work about a week before I went there for that purpose,—not at the invitation or instigation of the Governor that I know of.

Q. Did you go there for the purpose of giving any information in regard to those books?

A. No, sir,—not directly for the purpose of giving any information. I went there to get information.

Q. How did you know the books were there?

A. I understood from Bennett they were there. I understood from Richmond that they were there, and perhaps the Governor told me they were there. I knew they were compiling that information, but from the time they commenced compiling that information for a week or ten days, I did not exchange a word with either of them. I was desirous of knowing the result of that compilation. It was proper for me to know it, and I went to the Governor's room for that purpose.

Q. Have you employed Mr. Richmond as an expert to look over these accounts for you?

A. I did before on the first investigation, and employed him for the work I showed this morning.

Q. Before the Climie committee?

A. No, sir; the last committee. He compared and reviewed the papers I presented this morning, and that I believe was all that he has done for me. Beyond that he is not in my employ in any way.

Q. Were the vouchers and stub-books taken to Gov. Felch's office? Did you see them there when you were there?

A. I saw the vouchers there. I won't be positive about the stub-books.

Q. Did you take your private book there?

A. No, sir; I don't think I did. I don't know of any occasion for taking it there. I have no recollection of taking it there.

Q. How many times have you lectured during the last 15 months, how many hours have you spent in those lectures, and how many students have you had?

A. Of course I will answer it if you wish me to.

Q. We would like an answer to it.

A. I really don't know how many times I have lectured; not very many times, because the nature of my duties did not require me to lecture.

Q. How many times a week are you in the habit of lecturing?

A. Until my duties were changed materially I lectured four times a week for a part of the year, and five and six and sometimes seven and eight; it was variable.

Q. When were those duties changed?

A. About 15 months ago, a year ago this fall,—no, last fall.

Q. How many times have you lectured since then?

A. I don't know that I have actually lectured more than twice or three times to the medical class in all that time. My duties have been confined to the laboratory. I have, however, during all that time, unless something extraordinary occurred (sickness or something of that kind) never failed to be at my office in the afternoon or working hours, in the laboratory; and nine days out of ten, Sundays excepted, I spent my morning hours at the laboratory as well as the afternoon.

Q. How many students have you had there?

A. The laboratory has been filled to its capacity.

Q. How many students have you lectured to?

A. My duties have not been of the nature of lecturing.

Q. What right had you to expect any great income in the laboratory, and from what did you base your expectations of income from?

A. Well, sir, I don't know. I know the rate at which we purchase goods, and I knew what we sold them for, or should sell them for, under the rule of the Regents; and I think it is every man's right to form an opinion as to what the profits of the laboratory should be. I don't know of any legal prohibition to that.

By Mr. Hinchman:

Q. Did you follow the rule of the Regents?

A. For aught that I know the rule was followed. My instructions to Dr. Rose were, and have always been, to follow the rule of the Regents strictly, and I have always instructed him and all the assistants in the laboratory to keep within the reach, or accessible to every student in the laboratory, Rohrbeck & Goebeler's catalogue and Benjamin's catalogue.

Q. Did you make any estimate of the profits?

A. No, sir; I have not made estimates that I know of. I was going to say for a guide of the students that they might know the rates, the rule of the Regents was posted in the laboratory that Rohrbeck & Goebeler's and Benjamin's

were the prices for goods. Their catalogue was there for any of them to consult and see that they were fairly charged. Whether they were I am unable to say.

Q. What percentages were added to those prices?

A. Latterly 10 per cent.

Q. Formerly?

A. It was variable, according to the price of gold. When the premium on gold was high, and the price list of those importers was in gold, we charged as nearly as we could the premium on the gold added to those lists.

Q. Did you buy any goods in gold?

A. Not in gold. We bought in currency; but those prices on the list were in gold. Whatever was added of that nature the percentage was designed to show, and also breakage, transportation, boxing, losses, etc.; and it all went not to my pocket, or Dr. Rose's pocket, or in the pocket of any but the Regents.

Q. Have you any lists showing those prices?

A. Yes, sir.

Q. Are they in the possession of the committee?

A. I do not know.

Q. The chemicals delivered to students were in solution mostly?

A. Yes, sir; reagents are always in solution. There is a class of dry reagents. Those solutions are made, of course, in the laboratory.

Q. Prices were fixed upon the value of the solution?

A. Yes, sir.

Q. Not upon the salt?

A. No, sir; the price list covers the reagent solutions. If you will examine the catalogue of Rohrbeck & Goebeler and Benjamin you will find the price list of reagent solution upon Rossini's standard, which is the standard we all go by.

Q. Was there any change in the percentage between '65 and '71?

A. I could not tell without referring to the books.

Q. The ledger shows them, I believe?

A. Yes, sir; we have followed them,—endeavored to follow the instructions of the Board as nearly as may be. I suppose Dr. Rose followed them: he was so instructed, any way. I will state in this connection, from very careful figures made by Professor Prescott (covering, I think, two or three years)—the professor made these figures in the main—the average weekly expense to the students for chemicals and apparatus, and all supplies furnished from the laboratory, was a dollar twelve and a half cents per week. The average price at the present time for the Sheffield laboratory at Yale is \$2.18, as shown by their catalogue. The price of Columbia,—the catalogue is arranged so differently that you cannot tell what the average would be. At Harvard a few years ago it was very nearly a dollar a day. So that it has always been considered that the price charged students is very much less than that at any other laboratory in the country.

By Mr. Mills:

Q. Under date of October 8th, 1866, I see an entry made of 50 per cent; explain that to the committee if you please.

A. Fifty per cent at that time, in '66 (that is the column that shows it every year), the object has always been to fulfil the requirements of the rule of the Regents as near as possible, and particularly if the rule was a good one, because it was working no injustice to any student in the laboratory.

Q. You mean to say that the Regents established that at the rate of these [the chemicals] should be sold to students?

A. Yes, sir. We were acting under their authority, I supposed, and still suppose the same thing is being done now by the authority of the Board of Regents.

Q. Were the prices charged precisely the same as the catalogue list?

A. Yes, sir; I think so, in every case. I don't know that there was any variation. In some particular case they would not be in the catalogue. For example, a beaker glass we would have in store might not be precisely the same thing as is contained in Rohrbeck & Goebeler's catalogue, and there would be a little variation; but so far as it was possible to charge those prices they have been adhered to, for all I know, since the organization of the laboratory, in the manner in which I have described.

Q. Did I understand you in your testimony to state that you bought lower than this price price list?

A. Yes, sir; ordinarily we did. Of course we could not do it unless we did.

Q. So that the 50 per cent charged would in fact be more than 50 per cent, would it not?

A. No. The price list, as you understand, is gold, or was gold at that time, I presume. I could not recollect, but I presume the price list at that time was a gold price. We imported last year from Berlin quite a large bill: that bill of course was much less than Rohrbeck & Goebeler's price, yet we charged Rohrbeck & Goebeler's price.

Q. I think perhaps you did not quite understand the question. The 50 per cent was added to the price at which you bought, or the price list?

A. The price list.

Q. Then in fact it would be more than 50 per cent on the price at which you bought?

A. Yes, sir.

By Mr. Hinchman:

Q. Did you sell any chemicals personally?

A. Never, unless Dr. Rose happened to be absent from the laboratory from any cause, which was a rare thing.

Q. Have you any idea of what amount was sold by you to outside parties?

A. A very small amount, so far as I know. Sometimes the normal school would get some articles, and occasionally a student going away would want a few things, and we are in the habit of accommodating all those parties in that way. If I may be permitted to say it, it would be a little mean not to accommodate them.

Q. Did you ever receive any money personally from such sales?

A. I think I have in a few instances,—perhaps half a dozen. It may be they would remit to me directly where some goods were put up, but rarely that I have, and not at all unless in the absence of Dr. Rose, or for some good reason.

Q. What did those sales amount to a year?

A. I really could not tell without going over the vouchers. I should think an average of \$50 or \$75 a year would cover it all: perhaps not that. It is a matter of accommodation. I have stated this to the Regents,—that "parties coming there want these few articles: what shall I do?" and they would say, "accommodate them; sell them just as you would to students, at the same

price;" and we have accommodated them. And I would explain further in that connection, that I went to the custom-house officer in Detroit, when we imported goods, and asked him under the advise of the Regents whether those goods were subject to duty which were got for colleges,—apparatus and material of that kind come free of duty. Before importing I went to the custom-house officer and laid the whole facts before him, and he gave his opinion that they were not subject to duty: they would be passed in the custom-house free; but said that sales to outside parties of these goods would be subject, would be a violation of the law; and all those goods that have been imported direct, that have passed the custom-house free of duty, I have absolutely refused to sell.

Q. Then you have at no time sold apparatus to outsiders?

A. Yes, sir, I have; as I have said already; but not of that kind,—not apparatus that is imported that comes through the custom house free.

Q. Was Dr. Rose authorized to make sales?

A. Yes, sir.

Q. Made them?

A. Yes, sir; frequently,—under these restrictions which I have just given. He did make them and submitted his vouchers for them. His vouchers will be found upon the files. Such sales of course would go on the ledger, but there would be vouchers for them.

Q. What vouchers do you refer to? Certificates?

A. Regular vouchers.

Q. Filed with these certificates?

A. Yes, sir; certificate vouchers. Further, under my instruction occasionally some trifling article of five cents, ten cents, or a quarter, or something of that kind, would be wanted by druggists here in town, or some other party wanted a piece of tubing. Dr. Rose kept a memorandum of such sales as that, amounting to \$5, or may be \$10 a year. He kept a memorandum of such sales, and when money was turned over to me, he made his own voucher. You will find those vouchers in the files. I would not take money from him except on vouchers, and I said "Make your own vouchers if you have no vouchers for these transactions." Nothing passed between us except on these vouchers. For a number of years past that was the fixed and invariable rule between Dr. Rose and myself,—a rule which he has stated to be true to all parties, to the Board of Regents. Statements are in file that it has been adhered to, I believe, inflexibly.

By Mr. Taylor:

Q. Is it your testimony, in speaking of the book of which you have a duplicate and Rose has the original,—do you mean to say that you never received a voucher or certificate of any student whose name appears in that book?

A. No, sir; I did not say so. I know I did receive vouchers from students whose names are in that book.

Q. Please look at the printed copy of your testimony, as taken before the McGowan committee, on pages 9 and 10, of the 5th of June, and see if you did not testify that you saw the name of Grimwood as written in the Rose book the next day or the day after, and it had then dried up. If not, please read from your testimony what you did say.

A. I seemed to have said that. I have no recollection about it. The probability is I did say that. I have no very distinct recollection about its turning black. I think it was not entirely black the next day. Perhaps I make the

statement a little too strongly here, and may not. I was fully satisfied that it had been recently written. Dr. Prescott will probably testify. I know he had the same impression. We both examined it carefully. Dr. Angell also saw it within half an hour, and we all agreed that it had been recently written, from what transpired the next day. It was returned to Dr. Rose the next morning. Precisely what its appearance was I cannot recollect; but I think it was changed.

Q. Will you produce for inspection to this committee your bank account,—the bank books showing the amount of money you had deposited since 1864?

A. My bank books are in the hands of the committee already,—all the bank books I can find. Perhaps the committee have examined to see if they cover all the ground. They are not matters that I preserve for so long a time.

Q. You say you have made an annual inventory of the chemicals, apparatus, etc., of the laboratory. Please produce the annual inventory?

A. I didn't say *I* had made an annual inventory.

Q. Have you caused one to be made?

A. I have caused one to be made. Dr. Rose has made that annual inventory.

Q. Will you have that placed on file?

A. I can have them placed on file,—what purports to be an inventory. It is not such an inventory as I produced here yesterday.

By Mr. Hinchman:

Q. Are they footed so that we can get at the amounts?

A. I really don't know.

Q. Where are they now?

A. They are up at the laboratory. The Sergeant-at-Arms perhaps can go up to the laboratory to get them.

Q. What did you say yesterday was the footing of the last inventory?

A. The last inventory I think is over \$8,000.

Q. When did you first urge upon the Board to buy chemicals abroad instead of buying in New York, and upon what Regents did you urge it?

A. I urged it upon the Board of Regents. I don't know when I first suggested it. I have always felt, or for years, that it was wretched economy to buy in New York, and I have so stated to the Board of Regents.

Q. Several years ago?

A. Yes, sir; and at different times; when and at what times I could not say.

Q. Did you make those purchases under the direction of the Board of Regents?

A. I will hardly say under their direction. I have annually gone to New York during the summer vacation and made the heaviest purchases at that time,—made arrangements there. They have audited my accounts,—traveling expenses to New York. Sometimes I would go to Philadelphia and Boston also.

Q. With whom did you make the arrangements that you should receive commission, and that there was any record thereof?

A. I have not a record of it, sir.

Q. With whom did you make the arrangement?

A. With either the Board of Regents or a committee,—paid for services in superintending the buildings, etc.,—I don't know: it was stated or talked of in the Board, if I recollect rightly.

Q. You stated in reply to Senator Newcomb, that in the year 66-7, you made a settlement on the first Monday in November with Dr. Rose. Was that the first settlement of the year?

A. I am not aware of having made such a statement.

Q. If you did make it, was that the first settlement in the year?

A. I can't tell whether it was or not. I did not intend to make any such broad statement as that. I can't recollect back ten years a transaction of that kind.

Q. Have you any evidence that you made a settlement in that year on that day?

A. Unless it is in these wrappers pertaining to that year.

Q. Won't your books show when you made the settlement?

A. It may be the books will show the date of settlement; I don't know.

Q. Won't you find it?

A. I can't tell.

Q. Can you tell from that book when you had any monthly settlement with Dr. Rose?

A. I seem to have settled with somebody—I suppose it is Dr. Rose—on the 30th of November, and received vouchers from him amounting to \$30.45. The names of the parties are given here.

Q. What was the last settlement immediately preceding that?

A. The last settlement immediately preceding that was in July, I should think,—the 7th of July apparently, in this scratch book.

Q. What year was that?

A. This is '67. I am unable to give exact dates by this.

Q. Was it in July, '66?

A. I don't know.

Q. Can you ascertain from your own books definitely of any settlement in October, '66?

A. In October, '66, there were some accounts paid: whether there was a settlement with Dr. Rose I do not know.

Q. What stubs does that November settlement include?

A. I am unable to say without the vouchers.

Q. Have you the names there?

A. Yes, sir.

Q. Do your annual settlements show all the matters you have received from Dr. Rose and all other sources for which you should account to the University?

A. They should show.

Q. Do they show it?

A. I suppose they do.

Q. Do you know positively whether they do or not?

A. The accounts I have rendered to the University?

Q. Do you know positively whether they do or not?

A. My annual statement does not. That is the direct question.

Q. What other statements did you make to the board?

A. When special funds were in my hands, as they have been repeatedly for expenditures for building purposes and other purposes, those special funds would be expended and accounted for to the Regents with my statements, and they are in the hands of the Board and in the files, or should be.

Q. Did you always make the reports of such funds in writing?

A. I don't remember that I ever failed to make one in writing.

Q. Where are those reports?

A. The secretary of the Board can tell better than I can.

Q. They are with him?

A. Yes, sir.

Q. Did you not testify before this McGowan committee that the items of interest, commission, and the \$100 included in your report of '68-9 were fully explained by yourself to the finance committee at the time of the auditing such report, and that they were passed and allowed by them with a full understanding of those items?

A. Yes, sir; that is the fact whether I stated so or not.

Q. Was this report of '68-9 ever examined and allowed? If so, show the record of the proceedings.

A. The report of '68-9 was presented to the Board on the 30th of June, '59. The record of its presentation to the Board will be found on page 341. It was referred to the finance committee. The record of the Board will not show that the finance committee ever accepted and allowed. I have no doubt that it was an oversight on the part of the committee. I do know that no report that I have ever presented to the Board of Regents of expenditures, except the one in '74, the committee have ever failed to examine and pass upon, this included. The finance committee have invariably sat down and examined my reports of expenditures item by item, voucher by voucher, for receipts and expenditures, reviewed them carefully, subjected them to their criticism, etc. Until this transaction I could not know of this report and one other but that has been acted upon and allowed. I know the committee have passed upon them.

By Mr. Hinchman:

Q. Was there any objection made to any items in that report?

A. No, sir.

Q. By no Regent?

A. No, sir. Mr. Bennett's testimony I think will be direct upon that point, for he has usually assisted in making the examinations.

By Mr. Taylor:

Q. Do you say that wrapper number one indicates a settlement between you and Rose on February 27th, '74?

A. I do not intend to say that,—on or about February 27th, not earlier than February 27th.

Q. What evidence have you this was the time settlement was made?

A. The evidence contained in these wrappers. The latest date of any certificate in that package, if I remember rightly, is February 27th. It could not have been previous to that unless that date was—

Q. Have you any other evidence in your book in regard to that settlement?

A. No; probably not. What is the date?

Q. February 27, 1874.

A. As I said before, I do not keep the dates very carefully. I do not know that I could identify it without considerable trouble,—the precise settlement. In February here are 15 or 20 accounts that seem to have been settled, but whether those are identical with the accounts on that wrapper, I am not sure. On the 1st of March are some. They may have been included in that. It must have been after February. I am unable to identify them. Here is the list; the committee can see for themselves.

Q. It was not earlier than the 27th of February?

A. It could not have been earlier than the 27th, unless there is some mistake in dates.

Q. You testified yesterday that you concluded not to confront Rose with the

whole deficiency at once, as it would only raise a question of veracity between you, but that you concluded to go to him with a small amount at a time, to get him to settle for them. Was this course pursued for the purpose of implicating him in the defalcation and fixing it upon [him] which?

A. Well, sir, my own conscience told me I was innocent of any of this wrong doing. I supposed, and stated to Dr. Prescott often before, that every account on the ledger was represented by a stub. For a long time after this transpired, or some time after, I had no knowledge that there was a single account which had not a corresponding stub account upon which the vouchers must have been issued and signed by the students on the settlement of that account.

Q. Why was that course pursued instead of confronting him?

A. That is the very thing that I am explaining, if you will excuse me. I said to Professor Prescott (which will explain my reason—)

Q. I don't care anything about what you said to Professor Prescott; I want to know your reason why you pursued this course instead of the course of confronting him with the defalcation?

A. My reason was this (I will put it in another form if that will make it any better): not being aware of the existence of a single stubless account, if I confronted Professor Rose with the entire defalcation of that year, he would simply say to me, "I have delivered those vouchers to you; you have got them, you have got the money, I have not got them, I have not got the money;" and it would then become a question of simple veracity between us. He would say, "You have got it," I would reply, "I have not; you have got it,"—an issue that I did not think it prudent to bring at that time.

Q. Were you, when you were conscious that the course that you had pursued in the laboratory was right, afraid to measure your veracity with Dr. Rose?

A. No, sir. I am afraid to measure my veracity with any thief. I did not think that, as the conviction was irresistible that he had taken this money, and taken it wrongfully—I did not think it a prudent matter for me to approach him in that form,

By Mr. Hinchman:

Q. You had convicted him?

A. I had convicted him in my own mind. I knew I hadn't the money. In that way I convicted him. I knew no other person could have it, I say, but himself.

By Mr. Taylor:

Q. Do I understand you to testify that you had no knowledge of an account not represented by a stub previous to the discovery of this defalcation?

A. With the exceptions which I have already qualified, rare receipts away back years ago, I have no knowledge. There is a system of accountability which has been recognized—

Q. I wish to confine this right from the time that Dr. Rose came into the laboratory. Do we understand you to testify that you had no knowledge of an account not represented by a stub, previous to the discovery of this defalcation, during Dr. Rose's time in the laboratory?

A. I have not said anything of the kind. For the last five years I will say that I had no knowledge of any such accounts. For five years past I should think no account had ever been paid to me except on a voucher represented by a stub. The rule is an invariable rule, and the transactions as recorded in the books and vouchers show that the rule is an invariable rule.

Q. When the memoranda check was given you for the accounts of Pantlind, Little, Thomas, and Hubbard, why was not \$40 deducted for stub money instead of \$10, upon the theory that all accounts should have a deposit, as stated by you?

A. I did not think of it at the time. It did not occur to me at the time. He deducted voluntarily the \$10, and it is all the deduction he claimed, and I took the paper he gave me. It was all the claim he made; and it turned up afterwards that there was no stub money on the three accounts; there was only one that had stub money.

Q. Then you permitted Dr. Rose to give you his due-bill for \$30 more than you supposed he ought to?

A. I had squared up with Dr. Rose no account similar to that. I took just what he gave me.

Q. In accounts called "forfeited," is it not often the case that the student exhausts the first deposit and makes the other stub-payment, and finally goes away leaving an unsettled account?

A. Yes, sir; sometimes it is the case. Mr. Thum's account, which was presented yesterday, was a case of that description.

Q. Does not the student in these forfeit accounts oftener go away owing the laboratory than the laboratory him?

A. It is generally human nature for a man to get all that is due him, and I suppose they did.

This second deposit, it appears from the record here, was not paid to me as a rule when it should have been.

Q. You placed in evidence yesterday what you stated to be a report of forfeitures made to you by Dr. Rose,—did you not?

A. Yes, sir.

Q. You also stated that Dr. Rose made you similar ones for other years; can you produce any for another year? If so, please produce it.

A. I stated yesterday I could not. It was a mere accident that I found this one. They are not official papers,—merely memoranda.

Q. If such reports were made to you, why did you not report them in your annual statement?

A. I did report them in my annual statement.

Q. Why should it not accompany the annual statement as a voucher?

A. I do not know. They won't deny—an informal matter. Reports were made in this way. We would look over the stub-book and call attention to it. Some stub would attract my attention, and I would ask him, "What has become of Mr. Smith? Has he gone away? Is he not coming back to settle his account?" His account is unsettled; and if it appears from the representation made from him to me, or from the knowledge I had of the man himself that he was not likely to come back pretty soon and settle his account, then the stub was reported as a forfeiture; but if it appeared that it was best to wait until some other time before reporting that stub as a forfeiture,—as a matter of fact, if you examine my reports you would find in many instances—how many I could not say—that accounts, or stubs, or stub deposits, were reported by me as "forfeitures," when the party having the ticket returned at a later period, paid up his account, and his account came in as a paid-up account of the next year, less the stub money, having reported previously and credited the University with the \$10 of deposit. When the ticket finally came back, of course I would credit the amount that he paid less the \$10 deposit, and it would be so explained in my report. Those cases frequently appear.

Q. Is not this the report for 1874-5, and was it not made by Dr. Rose upon your request?

A. I presume that those names were drawn off when we were together. I don't recollect about it.

Q. When was it made?

A. I don't recollect; probably made in the summer of 1875.

Q. Was it not made October 18th, 1875?

A. It may have been; I don't know.

Q. Does this report show anything but deposit money?

A. No, sir; I guess not; I don't know that it does.

Q. When were the sub-payments that said report would imply settled for between you and Dr. Rose in this or any other year?

A. That is, in case where the ticket or certificate was returned by the student at a later period?

Q. Never returned.

A. The sub-payments were never reported to me so.

Q. When did you require such sub-payments from Dr. Rose?

A. Never required any sub-payment of him of that kind. As I have already stated, no money passed between Dr. Rose and myself except on the certificate voucher or a stub. That has been stated over and over again by myself and Dr. Rose. We agreed upon that, I believe, all the way through in the whole investigation.

Q. Was not the sub-payment upon these accounts enumerated on his report paid to you at a previous settlement?

A. Mr. Thum's is a sub-payment, I suppose. He has a sub-payment of \$10. That \$10 I never received from Mr. Thum, and there is no evidence that I have received it. It is a case right in point. Mr. Thum's is a "forfeited" deposit.

Q. Had not the sub-payments enumerated in this report been paid you before the previous settlement?

A. No, sir; he did not pay me anything except upon the stub voucher with my initial upon it, or upon a return of the certificate.

Q. Were they paid at the time of the rendering of this report?

A. No, sir.

Q. Was there any ledger ever kept at the laboratory previous to the one examined here yesterday? I speak of the one without index.

A. I have answered that, I think, already; I don't know. I would like to go back to the records and see when the laboratory was started, and I could tell better. There should be all the books of the laboratory since its first organization. I am not responsible for the acts of others.

Q. Is it not true that the only other book of such record was a memorandum book, or books, carried by you in your pocket?

A. No, sir. I can't recall those transactions. I could go back and find my memorandum book. I suppose whatever I receive would be on those books. I don't know whether I have them or not. I usually carry in my pocket a memorandum book like this, wherein all transactions of like nature are kept. Whether I carried one back for 20 years I do not know. I can look in case it will be of any good to the Board.

Q. Have you any other books belonging to the department from the time the department was commenced to this present time?

A. All the books are in possession of the Board of Regents that I have any knowledge of.

Q. Is it not true that the only other book of such record, aside from the ledger, was a memorandum book, or books, carried by you in your pocket?

A. I don't know whether it is true or not. I can't recollect. I have not kept a written record of my life, or diary.

By Mr. Mills :

Q. Did the bills of Rohrbeck & Goebeler presented by you to the Board from time to time show any discount from their catalogue prices,—any material discount?

A. I think the bills will speak for themselves. I have not compared their list so minutely as to enable me to answer that question. I have already stated, I believe, that the prices of goods in those days were net prices. They do not represent discount. That is the way in which I buy goods.

Q. The catalogue prices were put within the reach of the students, as I understand it?

A. Yes, sir.

Q. Did the prices at which you bought as reported to the Board agree with those catalogue prices?

A. No, sir.

Q. Did they show a large discount?

A. They showed a large discount, of course: otherwise I don't see how we could sustain the laboratory for a single hour. I don't want you to misunderstand me. There has been a good deal of misunderstanding on this question. I want to make it as clear as possible. These bills do not, on their face, show any discount. They show the prices that I actually paid for the articles,—the bills which I presented.

Q. I only wish to know whether you had carefully examined the catalogue prices, and whether the prices of your bills agreed with them: that is the only thing.

A. I have not, I buy the goods on bids from those parties.

Q. I understand that.

A. How closely they compare I am not able to say. I am confident, however, they must have been very much lower than catalogue prices. I have not compared them. I don't see how we could have got on without them.

Q. Are you, or are you not, aware that small institutions obtained these chemicals from Rohrbeck & Goebeler at a discount of 10, 20, or more per cent.

A. I have understood since this investigation, from various sources, that they do buy at somewhat reduced prices. I had, however, previously understood from Rohrbeck & Goebeler, that they did not, as a rule, sell below the list price, except large bills were made, not for ordinary small orders; and I think that is the case now. About that, of course, I know nothing only from what they tell me. I have every reason to believe that they buy goods cheaper. From Professor Chandler himself of Columbia College, I have learned that we buy as cheaply as he does. I have submitted these bills to Professor Chandler with a view of obtaining this information.

Q. Did you, in 1873, purchase from London any machinery and apparatus?

A. I did.

Q. On what authority?

A. On the authority of the Board of Regents.

Q. By resolution of the Board?

A. By resolution. I can give the history of that. There has been a good deal of scandal about that, and I might as well tell it all.

Q. I only wish to know whether it was valuable?

A. Yes, sir.

Q. Perfectly valuable?

A. Yes, sir,—not as valuable as I hoped it would be when I bought it. I qualify that. It is a fair piece of apparatus, but we are all liable to be disappointed. I was disappointed a good deal. I had a good deal of difficulty in getting it made as it should be. I threatened to sue the man to recover the money back before he would put it in proper condition. I bought it upon recommendation of Professor Tyndall, who was a man of world-wide reputation.

By Mr. Hinchman:

Q. Was that a general authority or special authority?

A. General authority.

By Mr. Taylor:

Q. What do you mean by general authority?

A. Resolution of the Board that authorized me to use the funds of the laboratory for the purpose of supplying the needs of the chemical department, placing the money derived from the laboratory for its support, and for the purpose of keeping up the laboratory, according to my best judgment.

Q. Was there any such resolution of the Board at any time?

A. If I had a code of by-laws I had here the other day, I could point it out to you. It is an authority that has been recognized from the beginning. On the 20th page of the laws and by-laws of the University of Michigan, section 4; it is under that rule that nearly \$30,000 worth of material has been accumulating of various kinds in the laboratory.

By Mr. Hinchman:

Q. How could that be if they were furnished at cost price?

A. I say I furnished them according to the price list of New York dealers. If I have erred in my mode of interpreting that, it is an error that has been carried on here for the last 15 or 20 years.

Q. If your inventory is \$8,000, how do you figure \$30,000?

A. The inventory is over \$35,000. When I commenced in the University I could have taken all the apparatus there was in my apron, if I wore an apron, and carried it off. It has all been accumulated under that provision, physical and chemical apparatus.

By Mr. Taylor:

Q. Respecting the \$104.25, does your annual statement show it as a credit or forfeited account?

A. I don't know what the annual statement shows; it will speak for itself.

Q. In what year did your amounts you have mentioned as making up that \$104 occur?

A. In '67-8, '66-7, '65-6, and '64-5, probably. I don't recollect when that credit took place, but I think it was in '67-8,—in the first part.

Q. Were those gas bills paid in full as their face indicated, or were they discounted?

A. Every bill was paid in full.

Q. Do you not own a controlling interest in the gas company?

A. I own an interest in the gas company,—not a controlling one.

Q. Will you produce the books of the company for the period for which you paid gas bills, and show whether the bills were paid in full or discounted.

A. Yes, sir; you are entirely welcome to examine the books of the gas company.

Q. If you had deposited with the secretary a hundred vouchers, but had not accounted for those vouchers in your annual report, would the University have been any better off than it would if you had not deposited the vouchers?

A. I am very dull; I do not comprehend that in some way or other. I do not know what answer to make.

By Mr. Mills:

Q. The idea simply is this: Suppose you deposited 100 vouchers with the treasurer, or in whatever place you may put them, and the finance committee settle with you on those vouchers, but in your report you do not report them, what would be the effect?

A. Do not report the vouchers?

Q. Yes. Your report does not embrace what the vouchers cover; you do not charge yourself with the amount of the vouchers.

A. If I do not charge myself with the amount of the vouchers, I suppose the University will be the loser to the extent of those vouchers, if I understand it rightly. I think that is a very simple thing. If I misunderstand the question, I hope the committee will correct me.

By Mr. Hinchman:

Q. Were there any vouchers deposited with the secretary not accounted for?

A. I am not aware of any, as I have already stated. Every voucher, whether you refer to receipts or disbursements, that has been submitted to the Board of Regents, checks off upon my report correctly; and if so, the University can have the benefit of them.

By Mr. Taylor:

Q. Prior to the time Hough was in the laboratory did you not take all the money paid into the laboratory yourself?

A. I don't remember whether I did or not. In the early history of the laboratory I was pretty much alone and had very little help.

Q. You received the money?

A. Some portions of the time I undoubtedly did account for it.

Q. When was the laboratory built?

A. I think the laboratory was built in 1856. I rendered an account of receipts and disbursements for 1855. That year I received from students, when we were in the basement of the medical college with eight or ten students for two or three months in the summer (a temporary arrangement) \$72.61. The names of the parties from whom I received it are given in my report of that year. The year following, 1856, we had about the same number of students, and I rather think, in the same basement.

Q. You received that money?

A. I received that money from them; that is, it was received. I presume I received it, for I had no assistant then.

Q. Can you answer the question prior to the time Hough was in the laboratory? Did you not receive all the money paid into the laboratory yourself?

A. I don't know. My impression is that Professor Dubois received a portion of it, but I assisted right along in the laboratory. I cannot recall those that assisted me in the order in which they have aided me.

Q. Is there a single record left in any department of the University, except

the card vouchers and annual reports returned by you, of any money received at the laboratory during the time you yourself received the money there from students?

A. I don't know whether there is or not. There should be, whether there is or not. Every record, every scrap of paper that was ever made in the University, in the laboratory, and every account so far as I know, has been passed over to the Board of Regents; and those older accounts and older books were passed over years and years ago,—ten, twelve, or fifteen years ago,—were passed over to Mr. Burleson, the secretary of the Board. What he did with them I have no means of knowing. I don't know anything about them.

Q. You say that your annual report for the year was before the Regents when Rynd introduced the resolution read to you: now, have you not already testified that you and your son were engaged in making up your annual report on the 18th day of October, which was three days after the meeting of the Regents?

A. I do not wish to be made to say things I have not said here. If I have made any such statement as that,—that my annual report was before the Regents at the time this rule was passed—I beg to correct it. I have no recollection of having made such a statement. It was not true, to the best of my knowledge and belief, if I stated it. I stated that it was not so, and I beg the stenographer to refer to his record and see whether I made any such statement.

Q. Was Mr. Bennett ever present except at the cutting out of one of those letter *D*'s from the stubs?

A. I never was left a single minute in Bennett's room in charge of the stub-book, or any other books of the University. He has been present. Everything that has been done, so far as I know, with his knowledge.

Q. Was Mr. Bennett ever present except at the cutting out of one only of those letters *D* on the stub?

A. Mr. Bennett was aware of just what I did, and what I was doing at that time. I was never left alone with those books. I have gone, when he would go off on account of business, into the hall, and walked the hall when he locked the door.

[Question repeated.]

A. I say in answer to that he was always present.

Q. Was he present when all the letters *D* were cut out?

A. I say he was always present—

Q. Was he present when all the letters *D* were cut out?

A. I don't know how I could answer it any better.

Q. Yes or no.

A. I say he was.

Q. Did not Mr. Bennett remonstrate with you about the cutting out of those letters *D*?

A. If he was not present how could he remonstrate with me?

Q. Answer the question: Did not Mr. Bennett remonstrate with you?

A. I don't recollect of his remonstrating.

Q. Did you make any personal arrangements with either of the Board of Regents by which you were to receive commissions? And if so, with what Regents?

A. Commissions on what?

Q. On your work for services around the University,—expenditures of money that you spoke of.

A. I would have to refer to the records of the Board. That "personal arrangement" has a sort of significance which perhaps I do not appreciate.

Q. Don't you understand the meaning of the word "personal?"

A. I know what "personal" means, but I know that parties may make it mean a great deal more than it really means.

Q. In this connection did you make any personal arrangement with either of the Board of Regents by which you were to receive commissions? And if so, with what Regents?

Q. If I understand that, you mean an arrangement outside of any authority of the Board,—official arrangement. Then I say I made no arrangement of that kind. If I am to understand an arrangement made with members of the Board of Regents, a member or members of the Board of Regents, or any committee of the Board, then I say such an arrangement was made.

Q. In their official capacity?

A. In their official capacity.

Q. With whom?

A. I say I could not answer that without referring to the records. I think the committee to whom that matter was referred was the finance committee, if I remember. I made an arrangement before the work was begun, as I have already stated, as to what compensation I should receive for those services.

Q. Who were those men with whom you made it?

A. I can't tell without referring to the records of the Board; they will speak for themselves. I will endeavor to find out. If you will specify just what particular acts of mine or services, I will look it up. I made a good many arrangements of that kind, and I did not make them indefinitely so that they would be a misunderstanding.

Q. As there is no record of your having made any arrangements with the Board of Regents by which you were paid commissions, have you any evidence that you made any such prior arrangements, and with whom made?

A. I don't know whether I have any evidence or not. I think I have. I will not say that I have.

Q. Will you be ready to answer that?

A. Yes, sir. The probability is that it was a verbal arrangement. I have confidence in the members of the Board of Regents. Whether it was or not I cannot say.

Q. Were you aware when you first confronted Rose with the names of Pantlind, Hubbard, etc., that you had defaulted to the amount of \$800 or \$1,200 for the period of nearly eight years, as the McGowan committee here report you?

A. No, sir. I was not aware and I am not aware of it now.

Q. You knew that the forfeited account frequently was an account in which there were sub-payments, and yet you mean to say that you never asked for or received any such sub-payments?

A. I never received from Dr. Rose—that is, for the past five years—any money except upon vouchers or memoranda of indebtedness between us.

Q. Do you mean to say that you never asked for or received any such sub-payments?

A. I was not aware that any such sub-payments were withheld from me until a few days ago, when it was newly discovered, it was reached. I supposed Dr. Rose had accounted to me for the money as it was received. I never received any money on sub-accounts, except as accompanied by vouchers.

Q. Did you ask for or receive sub-payments from Dr. Rose?

A. I don't know that I ever asked for or received any money except for papers which he would present to me.

By Mr. Hinchman :

Q. You say you never knew about these other stub-books.

A. No, sir; I have had no knowledge. It has been frequently a question, since this examination came up, what became of these second payments. Has often arisen: it has not been solved.

Q. These second payments have never been traced by any committee?

A. No, sir; never been placed before any committee. I was not aware that any such payments were received. He always accounted to me upon stub-vouchers, stub deposit vouchers, or upon the regular voucher of the person himself,—only those two papers upon which he ever accounted to me.

By Mr. Taylor :

Q. State the circumstances under which the list between A and B on the long book put in evidence were furnished by Dr. Rose. Give any conversation that took place at that time, or at any time subsequent.

A. The circumstances attending that were substantially these: I submitted to Dr. Rose, or had submitted, rather, the names of Pantlind, Hubbard, etc., and he gave me the memorandum already spoken of. I think that I submitted the names the next day,—perhaps there was an interval of a day,—but I submitted the names of Eddy, Ruff, and Wood, which he said were correct; that he was indebted to me for, and had not surrendered the vouchers. My impression is that on the next day I submitted the names of Robinson and Herdman. He then said to me substantially this: "I am sorry for what has occurred with reference to these delinquent accounts,—that I have not rendered you these. I don't wish to give you any further trouble to look them up." I then said, "Very well. That would save me considerable trouble,—if you will furnish that list." He had previously furnished me the list of accounts that he claimed to have paid. I said, "Furnish me that list," and he said he would. This was in the latter part of the afternoon. My recollection is that the next morning, possibly the next afternoon, he produced a complete list,—that is in the book from A to B, and said that he had not paid me the amount represented by those accounts; that he would pay them; offered to pay them. He then copied, or I caused him to copy. We sat down together. I think this was Saturday morning,—the day of the month I cannot recollect. So much has transpired with reference to this that it was almost impossible to recollect all the details of it. I remember now that he had previously given me the complete list of all those that he had paid, and in carrying out the programme of mutual receipts to each other, after a day or two's interval, he inserted the names of those parties which he paid that were not delinquent accounts but regular accounts. Then I produced the names of Eddy, Ruff, and Wood, and asked him to look them up, and he said those were all right, and then put them on this book that we might know what it is, and at a later period I produced the names of Robinson and Herdman. He said those were correct, and he would furnish a complete list of all the delinquent accounts? The next morning—this was Saturday, if I remember correctly—he did furnish a complete list, and that complete list, from A to B, was put upon the book and he certified to it. He said to me he was not prepared to pay this account, but would pay it as soon as he could raise the money; expressed great regret at what had transpired,—that he should be in the fault in this way, and said he would pay. In reply to that, I said to him in very nearly this language: "Doctor, that will not do; your paying that don't help the matter; what shall I do for the vouchers? I cannot

account to the Board of Regents for these sums; I must have vouchers for them." In reply to that he said: "I will open a correspondence with all these parties and obtain their vouchers." I said "That would be a very tedious process; it will take you some time;" but he said he would do it, that he could do it. I said, "Very well." But he furnished that list and certified to it as attached to the certificate which is appended to those, of its correctness, and undertook then to pay it, or said he would undertake to pay it, raise the money as soon as he could.

After an interval of a week or thereabouts he did pay it,—raised the money and paid it; and in that interval at various times we had short interviews. I treated him pleasantly,—no hard words, no unpleasant words ever passed between us, in reality. On one occasion, particularly, he sought me. He would seek an interview with me. I rather avoided interviews, as they were unpleasant to me, and I did not see anything gained by them. On one occasion, particularly, he sought an interview with me standing near the hood in the laboratory. I think we stood there looking over a table,—I don't remember what we were about to do,—but he came and sought an interview, in which he expressed himself with great sorrow at what had transpired. I remember this expression: that he hoped I would forgive him, that I would overlook it, "that I would not drive him from the laboratory," was his expression, which I had no thought of,—never indicated to him, at least,—but would forgive him. He cried,—shed tears. It was not a pleasant exhibition, and I felt my sympathies somewhat aroused; but he asked me in that interview if any one knew of the transactions. In reply to that I said Professor Prescott knew it, but I did not say that any one else knew it, or did not know it. I did not say that Dr. Angell knew it; but in answer to the request that I would not drive him from the laboratory I made this reply, if I remember distinctly: "I cannot, Dr. Rose, make any promise as to the future; it is no time now to make promises. I would be sorry to do you any injury whatever. Our relations here for years have been most pleasant and genial, and I should be sorry to do you any injury; but I can now make no promise as to the future; I cannot say." That interview was closed, and after this conversation other interviews took place; but that is substantially what transpired with reference to the list which was paid.

In about a week I spoke to him about paying the \$800. I asked him if he had made arrangements to pay that money; he said he had not. I said to him that it was quite important that he should make arrangement and pay it as soon as possible.

Q. How many accounts between *A* and *B* are represented by stubs, and how many are stubless?

A. There are five accounts, if I count correctly, that have stubs: Beach, \$51.40; Fuller, \$33.80; Johnson, \$31.15; Sauls, \$18.30; Topping, \$32.95; including Little, Pantlind, and Hubbard. The account of little for \$57.95 has a stub. Those that had no stubs, if I count correctly, are 35.

Q. How many stubs between *A* and *B* are crossed with the red line?

A. I have not looked at it recently. I have a memorandum of every year of those facts.

Q. When Rose sold chemicals and apparatus to outside parties, was it not usual for him to make a voucher for it and return it to you, and are not stubs representing such vouchers found in the stub-book and the vouchers in the packages?

A. There was, sir; that was the invariable rule. If he had not a voucher

from the individual from whom he received the money, he made his own voucher.

Q. Did you ever receive a commission for apparatus or chemicals purchased for outside parties? If so, what was done with commission?

A. I have occasionally purchased apparatus and material for outside parties in N. Y.—generally persons who have formerly been students here. They asked me to make up a list of apparatus, who had become teachers and wanted material,—wanted my aid in purchasing it. Parties in the State of Michigan, union schools, etc., and public schools, I have purchased [for], and have, I believe, invariably given whatever discount the dealers gave me. I had an arrangement of that kind, particularly, with Mr. Ritchie, of Boston, that any sales that I should effect in that way he would make a discount of ten per cent, as was his custom. He appointed me his agent for such sales, as it were, but anything of that kind seldom occurred. Those discounts were credited to the laboratory.

By Mr. Hinchman:

Q. Can you point out the credit on the book?

A. If you will give me that paper I can point them out. Here is an entry of the 21st of October, '73. I purchased some apparatus for some union school. My impression is that it was Battle Creek, upon which Ritchie & Sons of Boston allowed me \$27.29. Although fairly my own, honestly my own, I credited it to the laboratory.

Q. What is the entry?

A. "Received from E. R. Ritchie & Sons \$27.29." All such transactions within the State of Michigan I have credited to the laboratory, invariably.

Q. Is that the only one?

A. No, sir; there are others.

By Mr. Kelley:

Q. Does the entry of this show what it is for?

A. It does on my report.

Q. Does it on your book?

A. No, sir. I recognize it to be that. I can produce the correspondence with reference to it, if you desire.

Let me say one word with reference to that commission matter. For parties outside of the State in two or three cases—I remember one case in Ohio—I thought it did not properly belong to the University, and that I had the benefit of it myself.

Q. Conceding that your reports do not show the University indebted to you at the close of the year, does it follow that it was not indebted to you during the year?

A. No, sir; by no means. The purchase was made in the summer vacation and bills paid in cash.

Q. Where you have charged interest or commission against the University, does not the charge appear distinctly upon your reports?

A. It does, sir.

Q. State whether the finance committee did or did not examine your reports item by item?

A. They examined them item by item,—examined every voucher and compared them with the report.

Q. Is the capacity of the laboratory any certain index of the number of students there during any term of the year? And if not, why not?

A. No certain index, because some students stay a longer or shorter time. For example, in '66-7 there were 201 in the laboratory, in '67-8, 155; but in both years the laboratory was full. In '68-9 there were 218. They are coming and going.

Q. Did the fact that you kept your accounts with the laboratory upon a separate book and not as an account upon your individual private books make the slightest difference in making up a cash account for trial balance at any particular time?

A. Not the least difference. I think there is some confusion in the mind of the committee on this point. Let me say, all my books are as one set of books. I have books with the laboratory, I have books of the trust fund, and I have my individual books, you may say, and they are really all my individual books, as though they were kept upon one book, and the trial balance can be drawn from them without the least difficulty, and the cash balance also. The committee have all of those books in their hands, I believe, and can see for themselves that they really belong to one set of books.

Q. Suppose you had kept each account which you found it proper or necessary to keep upon a separate book, would it have made it more difficult for you to make up a cash account or a trial balance, or to arrive at a true result of your business and condition at any particular time, than it would have been if you had kept all your accounts in one book?

A. I think the keeping of them in separate books. The manner in which I have kept them the committee will see for themselves. My trial balance can be drawn *better* than though they were kept upon one book.

Q. Has a single instance been discovered where a stub represents an account with one or more students?

A. No, sir; excepting the accounts represented upon the ledger as what are sometimes termed "partnership" accounts. Occasionally two students for economy will join hands,—although it is almost prohibited,—not encouraged, to say the least. I say they would work together and try to economize. Smith & Brown's account will be opened upon the ledger against Smith & Brown. You may say there will be two accounts.

Q. An account will be opened against both of them?

A. Yes, sir; but no two accounts are ever settled on the same stub with two individuals that I am aware of. I never knew of such a case. It would be in violation of all rules and regulations.

Q. Can one stub be properly said to represent two or more accounts upon the ledger unless the ledger shows such accounts to have been settled the same date?

A. No, sir; they must have been settled at the same date in order to represent the same account.

Q. Are you able to give, if so, give the stubless accounts for each year?

A. I have a record. Perhaps I had better have it copied and sent in. Allow me to say the question ought to have been put in a little different shape, if you wish the information, and that is, all stubless accounts that have not corresponding stub accounts unsettled of the same date.

Q. Are there any instances in which the amount of deposits as shown by the stub is less than the amount shown by the corresponding vouchers? Give such instances, and find and exhibit stubs and vouchers.

A. Give me the package for '72-3 in the stubs. There is a receipt and stub number 81, George C. Henry, issued for \$10, the certificate calls for \$20, and this wrapper shows that was redeemed at \$20. When the certificate comes back to me I redeem it at \$20, whereas I have received only \$10.

Q. Explain what you mean by redeeming?

A. Redeeming from Dr. Rose.

Q. When you received that certificate from Dr. Rose you received it for \$51 less the \$10?

A. Less the \$20.

Q. Why?

A. That memorandum shows that the account is \$20.

Q. Do you know who made those figures on the corner of the certificate?

A. No, sir; I don't.

Q. Are there not any circumstances in which the state of facts are exactly the reverse?

A. I am not aware of it.

By Mr. Kelley:

Q. Count up the number of items on that wrapper and see how many you have deducted at \$10 a piece.

A. I can tell better by the papers.

Q. Count up the items.

A. That don't follow.

Q. How many more certificates did you then redeem than what are on that paper?

A. I redeemed just what is on the paper.

Q. What did you deduct for each certificate?

A. I deducted the face of the certificates.

Q. Are there not just 16 items?

A. There may be 50.

Q. Are there not 16 at just \$10 a piece?

A. I don't know what the number is.

Q. Do you know of your own knowledge this particular circumstance of redeeming the \$20?

A. I do not remember that particular case. It may not be deducted.

Q. Look at that memorandum and see.

A. Take the vouchers in that wrapper and find the face of them; you will see what they come to. You cannot count them on that paper.

Q. You can't?

A. No, sir.

Q. Count the number of vouchers you redeemed at that time from that paper.

A. It has nothing to do with it. I can count them.

Q. If you will answer the question, can you ascertain in that paper the number of certificates that you redeemed at that time?

A. I suppose I can. I think there are 15 here.

Q. Is this one of the wrappers that you spoke of in your testimony before?

A. Yes, sir.

Q. Ain't there 16?

A. I count them 15.

Q. Refer to the next?

A. It will take some time, if Mr. Tregaskis will during the evening arrange them.

ALPHEUS FELCH SWORN.—FEB. 2, A. M.

By Mr. Kelley :

Q. Do you reside in the city?

A. I do.

Q. Are you acquainted with Dr. Douglas?

A. I am.

Q. With Dr. Rose?

A. I am.

Q. Have you at any time been retained by the Board of Regents as counsel?

A. I have.

Q. Are you at present?

A. I am.

Q. Have you ever participated in any investigations of the laboratory accounts?

A. None at all.

Q. Do you recollect some of the laboratory books and papers being taken to your house within the past month?

A. I do.

Q. At whose instance were they brought there?

A. They were obtained for the purpose of making out a statement,—or rather a statement was made with reference to some accounts with a view to classify the items,—I mean the different amounts which seem to have been paid in by students,—for the purpose of tracing them out, and I was wishing one which had been prepared for one of the years, and Mr. Bennett said that they were not prepared for the other years,—some of them or all of them,—and I thought it desirable for the proper understanding of the matter that we should go through with the other years and make tables of them.

Q. For whose benefit were those statements made?

Q. For the benefit of the counsel who would have charge of the suit on the part of the complainants, the Regents.

Q. The chancery suit?

A. Yes, sir.

Q. At whose suggestion were those books first brought to your place?

A. At the suggestion of Mr. Bennett.

Q. Had you any conversation with Dr. Douglas about having the books brought there?

A. I don't think we had about having the books brought there, but Dr. Douglas explained something about the character of making these tables or statements with Bennett.

Q. Who assisted you in making the examination while the books were at your place?

A. I didn't undertake to make the examination. Perhaps I should state that I am not now in the active duties of the profession; I am not keeping an office, but I have been counsel in a good many things for the University. Sometimes I have charged them up, and sometimes I have not, and so it has gone on. I was away when this investigation first commenced about two years ago. It seems there had some questions arisen upon what I understood to be the first

examination of the books, and when I returned I was requested by Dr. Angell to have something to do, to participate in it by the way of advice or otherwise, and I found after a while that the matter was getting quite complicated, and the books, as I supposed, from the reports and papers, were numerous, and there was difficulty about the accounts, and there were several accounts; and I stated to him that I did not wish to assume the labor of going through all those accounts, and that is the reason why I know so little about them. My name, however, was used in the course of the suit which was brought at law; but afterwards the change was made.

Q. Who were the parties to that suit?

A. The Regents against Dr. Rose. I think Mr. Kinne was substituted for me as the attorney of Record.

Q. Explain with reference to the books?

A. I asked Mr. Bennett, when he stated what the character of the work was (continuing what had already been begun by following through the other years), —I asked Mr. Bennett if he had anybody at the University that could go through them and make the tables, for the benefit of counsel who should have charge of the case. He said he had nobody there that could do it, and he himself was too busy. I then asked him if there were any adjoining rooms where somebody could work upon them, and he said that in term time they were filled up there; and finally he or I suggested that we should get somebody to go through with that work; and in speaking of what persons were proper we finally thought Mr. Richmond was more at leisure, and was a good accountant, and he could be obtained. Mr. Bennett or I suggested they would be more retired to come to my house or library, and they would not be interrupted; and for that purpose the books were brought there. I spoke to Mr. Richmond, and I had him go to Mr. Bennett for the purpose of seeing what books it would be necessary to take, for the purposes which of course were explained, and also to talk to Bennett about the character of the table to be made up, and the sources from which the facts were to be derived; and Mr. Bennett finally agreed to send the books over by the janitor, who has charge of those things at the University, to my room; which he did.

Q. Did you hire Richmond in behalf of the University to make those investigations?

A. I did; and I afterwards spoke to Mr. Walker about it, and he said it was all right.

Q. Did I understand you to say that this tabulated statement that you were making was to be used in a chancery suit?

A. I understood they had been prepared for the purpose of enabling a counsel who should have charge of the hearing of that suit,—as a part of the preparation of the case,—as necessary for his convenience, and to use, of course, or not use, as he might find expedient after taking his testimony.

Q. Did you have anything to do with the drafting of that bill?

A. I had not.

Q. Was it ever submitted to you for your approval?

Q. I had never seen it until after it was filed and printed.

Q. Was Dr. Douglas present while you and Richmond were making the examination at your house?

A. No, sir, Dr. Douglas was not present at the time Richmond was at work. Richmond worked several days. Dr. Douglas may have been in once or twice during that time.

Q. Did he come up at your request?

A. No, sir.

Q. What has been done with the results of the labors of Mr. Richmond and yourself.

A. They are none of them in my possession. As for making these tables, following out the documents that I speak of, and which was the first object of my employing him, he did the work without any aid of mine at all. I had another table in my library room, and he worked at that table. I did not examine what work he did, nor did I examine the books from which he was making it up, or the papers from which he was making it up; and before he had completed it Dr. Angell called to my room one day, I was in the library with Richmond at the time, and stated that they had found some other stubs; and I think he had one of them with him, but I am not quite sure. I think he had a certificate or a notice cut off, I suppose from those stubs, given to somebody by the name of Thum, I think; and Dr. Angell asked me what I thought of them, and I believe I said something like this: that they ought to be examined by some one who was familiar with those papers. I was not very familiar with them; I never examined them; but on talking with him it was finally concluded that he had better look over those stubs and compare them with the "ledger," I believe they called it, or with a kind of abstract taken from them by the accountant, Mr. Tregaskis, which Mr. Richmond had there. Then I told him he had better explain the other work, when we would go through with these, and see what there was of them, with Dr. Angell afterwards. At any rate we had two of these books of stubs, and Mr. Richmond and I sat down to compare them with the books, which was prepared by Mr. Tregaskis, as was said. I did not look at that book. He took the stubs and I looked over them while he compared them with the list, but he took the memorandum which he made, and I have not seen it since. That was about the time that this committee was to have its meeting. They wanted, of course, the books and papers that were at my room, and Mr. Bennett or somebody from the University sent down a man to get them and he took them away.

Q. At the time you commenced that examination, were you aware of the fact that Mr. Tregaskis had been retained or employed by the Board as an accountant to examine these accounts?

A. I had heard of that.

Q. Had the Board of Regents or any authority of the University employed Richmond as an accountant to examine the same?

A. Nobody but myself, so far as I know.

Q. Was it suggested to you by any person to employ him?

A. If I am not mistaken I suggested Mr. Richmond's name, but it may be Mr. Bennett did.

Q. You suggested it to Bennett?

A. Yes, sir; I suggested it. We were speaking of what person could be employed.

Q. Were you aware that Dr. Douglas had employed Richmond to make an examination for him of these accounts?

A. No, sir.

Q. What has been done with the results of the labors of Mr. Richmond at your house?

A. Mr. Richmond has them now, so far as I know.

Q. They were not left with you?

A. No, sir. All I know of the actual results was the paper which I made myself, on which I put down from these stubs the amount of money, which appeared there to have been paid by Rose, as we understood those stubs, and then tracing it out with what I supposed was the ledger, or a transcript from the ledger, to see whether Rose had accounted for each amount which he had received from the students. That labor I participated in, and left him to take the papers. The other Richmond worked at himself, because I was busy about something else, and I did not know but I could aid him.

Q. Do you recollect about the time of month at which it was?

A. No, sir.

Q. Was it the month of January last?

A. I should think it was. I should think it was two or three weeks ago,—perhaps two weeks before the meeting of this committee,—can't tell exactly. I think Mr. Richmond was there at work some three or four days.

Q. Do you know who paid Richmond for his services?

A. I don't know of his having been paid at all. I spoke myself to Richmond about it and asked him if he would do the work.

Q. Have you examined the bill in chancery, in the case against Rose, Beal, and others?

A. I have looked over it.

Q. In your opinion what decree could be entered against Douglas in that suit under the prayer for relief that is asked for?

A. If I understand the bill correctly it calls for an accounting of Mr. Douglas and an accounting by Mr. Rose, setting up some complications about the matter. As I understand the bill, it asks for an accounting by both of them. My recollection is, it asks that Rose be decreed to pay,—of course, the sureties also; and as to Dr. Douglas, I think the theory of it is that the University was indebted to him or would be indebted to him for advances, and asking that any amount which should be found against him on that counting should pass into that accounting, and the University should have the benefit of it in that way. That is my recollection of the prayer in that bill.

Q. What was the decree provided it should appear that the balance found to be in Dr. Douglas' hands should exceed any credit he was entitled to, whether they could enforce it by an execution or any of the ordinary ways of enforcing an account?

A. Yes, sir.

Q. Could he take a decree at all?

A. I think so.

Q. If there was no allegation in the bill charging the fact that Dr. Douglas has funds belonging to the University in his possession, could a decree be entered against Dr. Douglas providing he failed to answer that bill as confessed?

A. I don't know as I understand.

Q. If there is no allegation in the bill charging Dr. Douglas with having University funds, and the bill should be taken as confessed against Dr. Douglas, could a decree be entered against him?

A. I think so as I understand the bill. The theory of it is that there is an occasion for accounting by both of these parties; that they are asked to account.

Q. Suppose there is an expressed allegation in the bill that the complainants did not believe that Dr. Douglas had any of the funds of the University in his hands, or possession, do you think that a decree could be entered upon the bill taken as confessed against Dr. Douglas?

A. I think it could be under that bill. I think that bill calls for an accounting by both of them. I think that is the purport of the bill. It calls for an accounting by both of these parties, and sets up the facts that show that both of them have had money in their hands, derived from the source set out in the bill.

Q. Have you been counseled with reference to this particular suit,—the chancery suit of the Regents against Rose, Beal, and others?

A. No, sir; not to any extent. I have had but very little conversation with anybody about it. When my name was substituted here as solicitor in the case, I went into Detroit and saw E. C. Walker, who was one of the Regents, and I also saw at one time Mr. C. I. Walker; I had very little conversation with him in regard to it. I would state in addition, in explanation of what I said in regard to my opinion about the bill. There is a clause in it for general relief, as I understand it. Now I suppose if it should be found that there is a balance in the hands of Dr. Douglas which he ought to account for, my idea was from reading the bill that under that general prayer for relief they could get a decree to enforce the remedy; but if by any chance it should turn out there is no occasion for applying it to the account or defense made by Dr. Douglas, if there was any question about it, of course counsel would apply for leave to amend the bill in in that particular. It seems to be a formal matter, rather than a matter of substance. That is the impression which I had from the reading of the bill.

By Mr. Taylor:

Q. You say Richmond worked for several days; is not Richmond the accountant of Dr. Douglas?

A. Not to my knowledge.

Q. If the examination made by Mr. Richmond was made in the interest of the Regents, why was it deemed necessary to take the books out of the University?

A. I first asked Mr. Bennett if there was not some one in the employment of the University who could do this work, without employing anybody else at that expense, and he told me there was not, there was nobody there that he could detail for the purpose; and then I asked him—

Q. If the examination made with Mr. Richmond was made in the interest of the University, why was it deemed necessary to take the books out of the University?

A. I am stating that very thing. As I said, I sought first to have him let some one who was in the employment of the University do it and avoid the expense of employing another man. He could not do that, and then I asked him if Richmond, or whoever was employed, could not work there at his room. He said his room was subject to constant interruptions, and that they could not do that; and then I asked him if there was not some other room adjoining,—some room which could be occupied for that purpose,—and he said there was not. I understood him there was no room there which could be conveniently occupied for that purpose, and then either he or I said that we might take them to my room, which was not a public office but a quiet room; and it was begun there.

Q. Can a complainant take a decree for matters not charged in the bill of complaint?

A. It is the general rule that he cannot.

Q. In this bill is there a charge or allegation that there is no money in the hands of Douglas?

A. I would not be willing to answer that question without looking the bill over more carefully than I have. I did not know that I would be called to any question of that kind, and I have not looked the bill over very carefully.

Q. Is not Dr. Douglas one of the defendants in that suit?

A. He is. The bill shows, of course.

Q. Why was he allowed or asked to help in making out such a statement as you speak of for the use of the complainant?

A. Do you refer to the statement at my house?

Q. Yes.

A. I don't know he was asked.

Q. Why was he allowed to?

A. I don't know that he was allowed to. Dr. Douglas never aided Mr. Richmond in any way in my presence, in making out any of those statements.

Q. What was he there for?

A. He was not there much of the time. I did not understand that Dr. Douglas came there for any purpose of aiding Mr. Richmond, and I have no recollection of his looking at any book.

Q. Have you any recollection of his offering any suggestions, or any suggestions being accepted by him?

A. I don't know of any such thing. I have no recollection.

Q. In any of these investigations of the University of Michigan have you been in the employ of Dr. Douglas?

A. Never.

Q. Could the matters covered by that bill be passed upon without determining whether the money was in the hands of Rose or Douglas, and if money was found in the hands of Douglas wouldn't it be in the discretion of the court to permit an amendment of the bill to cover it?

A. As I understand that bill to call for an accounting of the matters involved, both the parties—

[Question repeated.]

A. As I understand the bill to require an examination, which should show just what is asked there, should show whether the money was in the hands of Dr. Douglas, and if the bill is not sufficiently clear in its allegations, to enable a party to take a decree against Douglas, an amendment of course would be allowed by the court. That would be the ordinary course, so far as I understand the practice. A bill is very often found to want some of the allegations, to give a perfect remedy, perfect relief,—frequently found so upon final hearing,—and it is always proper the account should be applied to the court for the amendment of the bill so as to cover the actual merits with regard to the subject matter of the bill.

EXAMINATION OF DR. DOUGLAS RESUMED.—FEB. 2, A. M.

Witness.—Before answering any questions, if the committee will permit me, I will make a brief statement to avoid any misunderstanding, on one or two points. One is with reference to this cash book. I think I stated to the committee, when it was produced here, that it was not and did not pretend to be an accurate statement so far as the last two years are concerned;—three or four or five years of my accounts,—in the University; that I depended upon vouchers in making my annual reports. I also stated that this was very nearly a transcript or copy of my annual reports, and contained all the material that would enable me to make up an annual report with tolerable degree of accuracy.

In the subsequent part of the examination yesterday I perhaps was made to put the question of the identity of the annual reports, and this book, carelessly in a little stronger light than I intended to; that that book covers other matter than the University matters. There are private matters contained in those accounts. For example, a number of years, or several years ago I published a text-book on my own account for laboratory use,—a set of laboratory tables. Those tables were kept in the laboratory on sale by Dr. Rose. The proceeds of the sale of those tables are in that book. The University had no interest in them whatever; it was never published at the University expense; the University had nothing to do with it whatever, and he had the proceeds of those sales. They are in that book, as rendered to me from time to time by Dr. Rose, and of course such items will not be found in my annual report. They had no business in my annual report. I mention this to illustrate; and there may be other items of a similar nature; I don't know whether there are or not; I recollect that fact.

By Mr. Hinchman:

Q. We understand then that you kept no accurate record of the cash transactions with the University?

A. This I suppose to be a very nearly accurate record of the transaction of the University,—the records of my own books and vouchers which I had in my hand; and the stubs upon which I received deposits were a correct and accurate record of all my transactions with the University, and I could make up my cash account showing the balances in an hour at any time, and show accurate balances. I had all the data from which to make such a balance.

Q. In that book?

A. Not in this book entirely.

Q. If the vouchers were lost then, or the statements mislaid, you would not be able to replace them?

A. I should be able to replace probably all of them,—I don't know but every one of them. I have no knowledge that there is any discrepancy between the vouchers entered upon that book and the vouchers in the hands of the Board of Regents. I don't think there is any discrepancy.

Q. Do you think a precise and correct record should not have been kept in writing of your cash transactions?

A. If there had been any danger of loss of papers, perhaps it would have been better. It might have been better to have recorded them among the county records to have increased their safety; I don't know.

Q. That is not the usual way of doing it ordinarily?

A. No, sir; it is not. I had my way of doing business, and I had an accurate record of everything as I supposed, and I still suppose so. I don't know how I could have added to the security from loss, in any way, from fire or otherwise.

Q. You state that that book is not an accurate record in all respects?

A. I say it embraces items that do not belong to the University, are not properly matters for the University, that were finally eliminated from this book and carried upon other books. I hope I make myself clear.

By Mr. Taylor:

Q. Have you any doubt of the accuracy and correctness of the items appearing on the book?

A. No, sir; I don't know that I have any doubt about it; never had any rea-

son to doubt it particularly. It is a rough blotter, and there may be inaccuracies,—I cannot say. I have not reviewed it and compared it.

I also wish to state one other matter in connection with the removal of the letters *D*, which seems to be the next question here. I stated that I removed those, or intended to state,—I think I did so state, although there seems to be some misapprehension,—I stated that those letters *D* were removed by me for a particular purpose, that you all remember. Of course they were removed in Bennett's office, with the knowledge of Mr. Bennett, and a portion of them (one or more) in his presence. If I stated with his assent—I do not know whether I did or not—I perhaps stated erroneously: I do not know whether he assented to it or not. He had knowledge of the fact. That is all I desire to say with reference to that point, and the purpose for which it is done.

Q. Do you mean anything more than a literal transcript from the book would not accurately show the state of your account with the University?

A. It would not show a correct statement in every particular.

Q. Is that what you mean?

A. There are items in various pages of the book that are of a private nature entirely, connected indirectly with the laboratory and with Dr. Rose, that are of a private nature.

By Mr. Kelley:

Q. And a record of every transaction relating to the laboratory department could be found in the book?

A. I think it could. It is possible there may be some differences in my annual report from the book. I am not aware, however, that there are, as I said before, I make up my annual report from the vouchers themselves.

By Mr. Taylor:

Q. Had you any right to remove the letter *D* after the books were turned over to the University?

A. I suppose literally I had not. I never thought whether I had a right or not. I don't claim any such right, of course,

Q. Were those documents yours at that time?

A. They were not; never were mine.

Q. Belonged to the State of Michigan?

A. Yes, sir. The letters *D* were removed for a particular object. The object was a proper one. I saw no harm in removing a half a dozen for comparison, particularly if they were preserved and went back in their places.

By Mr. Kelley:

Q. I understand last evening you accounted for some money that came into your hands belonging to the University, upon special reports?

A. Yes, sir.

Q. See if you can find those reports there?

A. I have been thirty years dispensing University money. Give me time and I can find every voucher.

Q. Have you made any special return of special funds to the University with in the last six years?

A. Yes, sir.

Q. Can you find them?

A. Yes, sir.

Q. I desire to see the years '69-'70, '70-'1, '71-'2, and '72-'3, four years.

A. It would take me considerable time. They are not all here.

Q. Do you find any of them here?

A. I find one here in '69. Give me that book and I can tell you what ought to be here. This package especially, I think.

Q. Were such reports made in form showing the amount of special funds at your disposal and the disposition made of it?

A. In every case.

Q. Are you sure that those returns have been placed in the hands of the steward?

A. I am not aware of a single case where they have not been.

By Mr. Taylor :

Q. In your annual statement for the year '68-9 you took and received credit for a check signed by J. F. Oakes?

A. I can find no such item.

Q. Have you looked in both those reports?

A. In '69-70 I have looked. Here it is.

Q. Did you take credit in your annual statement for that?

A. I did.

Q. Did you take credit on that check?

A. I did.

Q. State how and when?

A. The history of that check,—that is what it is, for Mr. Oakes is the individual, I remember no other protested draft referred to—I had forgotten the draft. Mr. Oakes lives in Illinois some place; I have forgotten now the location. He was here as a student and paid his account by a draft on N. Y., drawn by some parties in Illinois. That was accepted as payment, and it was sent on to N. Y. for collection, was protested for non-payment and returned to me. I don't see how I should be made responsible for such a draft under the circumstances. I used great diligence in collecting it, and hence charged it in my account with the explanation to the committee who audited the account. That protested draft remained in my hands two or three years. I sent it to Illinois for collection, and had correspondence with parties there with reference to it. The party drawing it failed. I sent it to N. Y. for collection, and after two or three years I collected a portion of it,—I think the whole of it,—I am not certain about that; and when it was collected it was credited to the University, and it will so appear in my accounts,—such portion as I received, less the expenses of collection.

Q. Did you ever in any of your annual statements or otherwise give the University credit for the amount of this draft? If so, show the time and record thereof.

A. I should have to take time to look through my reports. If the committee will give me time and access to the papers, I will look up the whole transactions and all the correspondence connected with it. My impression is that everything has been credited up to the University. I should say so from my recollection.

Q. Please look at the ledger for '68-9, page 285. Do you find there a voucher number 272?

A. I find it.

Q. Look at the stub-book for the same year and find stub number 272?

A. I find it.

Q. Do the stub and voucher correspond?

A. They do.

Q. Has the stub a red line and the letter *D* upon it?

A. It has not. It has the letter *D* but no red line.

Q. The deposit amount in both stub and voucher is \$10, is it not?

A. It is.

Q. Look at your annual statement for that year.

A. Yes, sir.

Q. You returned that stub and ticket for only \$8, did you not?

A. Yes, sir.

Q. Please look at the same ledger on page 71?

A. I know what it is,—a transaction precisely like it. I have it.

Q. Look at the corresponding stub in the stub-book, 235?

A. Yes, sir.

Q. Is the letter *D* and red line upon it?

A. There is the letter *D*, but no red line.

Q. The amount of the ticket is \$30, is it not?

A. Yes, sir.

Q. Look at your annual statement for that year's business, and tell the committee whether you returned any money for which this voucher was given, and, if so, how much?

A. \$20,—the amount of the stub.

Q. In whose handwriting is the stub?

A. In the handwriting of Professor Prescott, I think.

Q. How did these certificates come to be placed in the ledger.

A. I don't know.

By Mr. Kelley.

Q. Can you show where that deposit money that came into your hands was accounted for,—certificate number 272?

A. Yes, sir.

Q. Let us see.

A. In my annual report of that year the University was credited J. S. Dodge \$8, and the transaction was this: He deposited \$10, Dr. Rose sold him one of my books for \$2, and reported to me \$8, the exact amount for which Mr. Dodge should be credited to the University, that is, \$2 less than the \$10.

Q. \$8 you mean to say was the money that actually belonged to the University.

A. I suppose it would admit, perhaps, of a different construction; that is the construction I gave to it. He accounted for my \$2 on book account and \$8 on deposit.

Q. The discrepancy between one of your annual reports and the ticket is covered by the sale of one of the books, the proceeds of which you claim was your own?

A. Yes, sir.

By Mr. Taylor:

Q. Turn to page 93 of the ledger for the year '74-5. Who wrote the word "Douglas" upon the ledger pages?

A. I presume I did.

Q. How is it spelt?

A. It is spelt "Dorglis;" one part of the U is apparently dropped off.

Q. In your handwriting?

A. I should think it was; I would not be positive. It was my impression that it is in my handwriting.

Q. Turn to page 200: is that your signature?

A. It is.

Q. How is it spelt?

A. "Douglas."

Q. Turn to page 141. Is that your signature?

A. It is, sir.

Q. How is it spelt?

A. "Douglas."

Q. Is this a memoranda check given to Rose by you, "Good for five cents?"

A. I think it is.

Q. How is it spelt?

A. "Douglas."

Q. Did you not swear in June last that you had no means of verifying those card vouchers used before 1866, except the entries in your book? [Testimony given last June handed to witness.]

A. I seem to have made that statement, and my impression is that it is true to-day. I cannot recollect any error in that statement now. There may be. I don't know how far the books of '66—was that the year of Mr. Hough?

Q. '66 was the year Dr. Rose came there. Mr. Lewis was there before Dr. Rose.

A. That takes it into Mr. Hough's time. The books, as I have already said, of the early period of the laboratory have not been found. They should be in the hands of the secretary. I will state in this connection that I am told by the secretary, who had looked faithful for those books, that there is quite a large number of books—I can only speak from information—quite a large number of the books previous to that time, books of account of the previous steward, Mr. Burleson, and other books, are not to be found. He cannot find them. They have not come into the possession of the present steward; that these books are somewhere undoubtedly, boxed up, perhaps, in some lumber room, or put away where they are not accessible.

Q. Where does Mr. Burleson reside?

A. I don't know,—in New York, I think. Mr. Bennett succeeded Mr. Burleson as Secretary.

Q. Have you ever heard of him since he left the University?

A. No, sir. I saw him once in Broadway, New York, I think; that is the only time.

I would, however, say, perhaps, in that connection, that I went into my attic last night to see what I could find relating to those old transactions, and I found a memorandum book that bears somewhat upon it,—a pocket memorandum book that contains a great many memoranda of University transactions, private transactions entirely, receipts from students, commencing at '61 and extending on to '64. Here is the book. I don't think they are matters that belong to the public. I don't think my private affairs are important. I will place it in the hands of the committee. I only call attention to one matter in this book. You will find in this book, on the first day of each month, right through, perhaps, the entire period, a cashing up of all my affairs. There is one of the pages for example, showing just the transactions and the condition of my cash account. There is another page, and there is another, showing a cashing up of my accounts, both in the University and in other departments.

Q. Have you not in fact, in quite a number of instances, paid the stub money on stubs which do not bear the initial *D*? Can you state the items and amounts?

A. I understand the question is whether I have accounted to the University for stub deposits upon which there are no initials *D*?

Q. That is it.

A. In the year '71, stub deposit 35, given to C. I. Dietz, \$10. I find it in my answer to that bill. Number 36, H. Coleman, \$10; number 81, G. S. Cook, \$10; number 84, A. R. Williams, \$10. In the year '72, stub number 277, R. A. Andrews, \$10. In 1873, number 58, R. Wellington, \$10; number 92, C. R. Hagadorn, \$10; number 92, C. R. Hume, \$10. 1873, stub number 145, S. Hebbinger, \$10; number 147, S. S. —, \$10. 1875, stub number 326, W. H. Wells, \$10. 1876, number 158, A. Slate, \$10.

Q. Take the wrappers and the vouchers in them: does not the ledger show that the delinquent accounts were settled during the same period covered by the accounts represented on the wrappers, and by the vouchers, and are not many, indeed most of such delinquent accounts, crossed by the red line?

A. I think they are, as I have already explained, of similar or corresponding dates. If you will give me that abstract of the year where the wrappers are and the contents preserved, I can explain them.

It is admitted by the counsel, by Dr. Rose, that the facts are as stated in the question.

Q. Does not the stub-book show that where a student received back his deposit, after it had been paid you and the stub is marked "canceled," and then before you had paid back the deposit money to Rose, the student changed his mind and went to work, and a regular receipt is given him, the student, for which you did not initial the stub?

A. Where a person makes a deposit and takes his ticket, and is unable or does not go into the laboratory immediately, and at a later time desires to withdraw his deposit, and does it, and the money paid back by Dr. Rose to the individual, it is marked "canceled" across the stub. That stub or that certificate is redeemed by me through Dr. Rose for \$10,—that is the amount of it. If this individual desires at another time to enter the laboratory and renew his deposit, a new ticket is issued to him. The old one, by canceling has passed out of existence, been torn up, destroyed, and the new ticket,—and entirely new transaction is made. That is really the fact invariably; I have never known an exception to it. It should be followed every time.

Q. When deposit money as such was not returned, was not part of the original deposit money frequently returned at the final settlement of the account, for the reason that the student could not use up the full amount of his deposit?

A. Yes, sir; it was very common,—a daily transaction. A person going into the laboratory and using \$5 of his deposit, when his account was settled the \$5 of money was returned to him always, whatever balance there may be, and the accounts of the laboratory will show,—the ledger of the laboratory will show the return of this money to those parties as an almost daily transaction; and hence, as I have said, this deposit money is held at the call of the student. He may call for it at any time he pleases, and I must be prepared to meet it; and I have never failed to meet it on call. Whether he is in the laboratory at work or whether is out of the laboratory, if he wishes to close the account he can do it at any time he pleases and take his balance.

Q. During the years covered by this investigation, did you receive money from

any other sources than your earnings which was treated in your account as part of your income?

A. I did, sir.

Q. From what sources?

A. My wife is one of the heirs of the estate of John A. Welles. The commissions received from that estate are upon my books as income, so entered, and the source from whence it came. My private books show, I think, every dime of income from all sources whatever, that I have received or my wife has received. We are counted as one in all financial transactions.

Q. Have you been in the habit from year to year of making up a statement, an inventory, showing the condition of your affairs? If so, does any such statement or inventory show the amount of money or property in your hands not accounted for by your regular income?

A. Yes, sir. I make up, on or about the first of January, a complete statement of all my affairs and my accounts are balanced up. In two years there were discrepancies, a surplus of money, and in balancing up my private books in those two years there were apparent discrepancies, in one year amounting to between \$200 and \$300; and in another year, if I recollect, it is \$238, and a forced balance is made upon my books for those two years in pencil. Those private books were in the hands of the former committee. That committee reviewed them with a great deal of care, examined all my sources of income, and in one year called my attention to an error, or a failure to enter in my income money that I received from the University for services at a certain time, and thus that error was corrected, and it still stands in my book with the entry of the correction of the error in pencil. The other year, where the error is \$238, is entered in pencil by a forced balance in the same manner, because I could not account for it, reserving it for the time when I should be able to account for it, if I ever did. Within the past two or three days I have found where most, if not all of the account is,—a transaction that satisfies me that I am on the right track. I have not got at the details. I have not accounted for at least \$200 of the \$238, so I do not know of any serious discrepancy in my private accounts, nothing which will tell that I have any University money, or any money that does not properly belong to me. I will further say in reference to these annual accountings whenever I make them I call upon Dr. Rose for a complete account of all outstanding stubs, and those entered into the accounting, all sums in my hands. I do not as a rule look over the stub-books myself, unless I have reason to suppose he has made an error by some embarrassment for want of proper balance. I call upon him for a statement of the outstanding stubs, and that statement entered into my "trial balance," as you may call it.

Q. Do you, in answer to any question, intend to concede that you began to make entries in your book in pencil in 1866?

A. No, sir; I do not know when I commenced to make entries. Sometimes I make them with pencil and sometimes with ink. The entries vary as a matter of convenience. Perhaps I commenced a long time before, or some time after; I don't know when.

A. Did you not in fact make a large portion of the entries in your book in pencil as far back as 1859? Please examine the book.

A. I seem to have entered the transactions of 1859 in pencil, in 1860 with a pencil. The footings are in ink, but the others are in pencil. In 1861, 1862, 1863, and 1864 they are in pencil. Here is one partly in pencil and partly in ink.

Q. And does not the book show that after 1866 you made entries in ink?

A. In 1869 the entries were made in ink, and 1870, 1871, 1872, 1873, 1874, and 1875.

Q. You stated that your method of conducting and carrying on the laboratory was approved by the Board of Regents. Can you show any record which shows this approval?

A. On page 174, June 24, 1863, it reads as follows:

“Regent Bishop, from the committee on the chemical department, to whom was referred the accounts and vouchers of Professor Douglas and assistant Professor Du Bois, report that the same had been examined and found correct. The report was accepted and the accounts and vouchers placed on file. On motion of Regent Bishop, *Resolved*, That \$24.25, balance reported by Professor Du Bois, as in his hands, belonging to the laboratory fund, be handed over to Professor Douglas, to be accounted for by him as a part of the same fund.”

Q. Did Regent Rynd's resolution, in your opinion, have any reference to past accounts?

A. I don't know whether it had any reference to past accounts.

Q. Do you make the slightest question that during the time Mr. Hough was the accountant the accounts were imperfectly kept, and that it is difficult now to determine whether the books and vouchers represent the true amount received?

A. The vouchers I have no doubt represent the full amount received, and I have no reason to call in question Mr. Hough's honesty, and I think they must represent the true amount received.

Q. What can you say as to having accounted to the Regents for all the money which during that time came into your hands?

A. I have no doubt but that I accounted for it all,—not the least doubt of it, unless some inadvertence or mistake occurs. I cannot see why I did not account for it.

Q. What would be the practical effect of Rynd's resolution on the accountability of persons connected with the laboratory?

A. I don't know that Regent Rynd's resolution would add or detract one iota from the accountability of the laboratory. I understood it at the time to refer to the State law, which required an accounting to be made to the State authorities, to the State Treasurer. I have never been advised up to the time of the passing of this resolution that it was necessary to render any quarterly account. I have rendered them yearly, as I was directed to render them—or that it was necessary to pass this money through the State Treasurer; but it seems to be the opinion of the Regents that this should pass through the State Treasurer quarterly; and the resolution of Regent Rynd, I always supposed had reference to that, and that it did not in any way affect the liability except that it rendered quarterly accounts instead of yearly accounts. Before Regent Rynd's resolution was offered, or the year before, excepting the first year previous, I had accounted to the Regents by single voucher. The last year preceding the offering of Regent Rynd's resolution, I accounted to the Regents by duplicate vouchers, in conformity to the act of the State Legislature, supposing perhaps that the Regents were laboring under a mistake. I voluntarily adopted a plan of duplicate vouchers, and rendered them that year, previous to the introduction of Regent Rynd's resolution. The report referred to by Regent Bishop in the printed minutes was quite a lengthy one, and is on file with the secretary of the Board at the present time.

Q. Did you give any personal attention to what was in fact added as a per cent to each student's account, and did you examine the ledger to see what per cent was added?

A. I only gave from time to time general directions with reference to that, guided by the circumstances. I gave general directions as to what per cent was to be added by the accountant, Dr. Rose;—generally fixed upon what was considered between us as would be proper for each year, and went through the year on that basis.

Q. If a student went away leaving his account unsettled, which ever way the balance might be, if the account was not reported by Rose to you as forfeited, would not the result be the same if the account should be closed and the deposit paid the University?

A. I have no means of knowing whatever whether the money was in my hands. I said "no means;" I did not know whether money was in my hands belonging to parties of this year except from the report. If a student left here without closing his account, or closing properly, I would have no way of telling it. For example, to make it clear, I turn to the stub book,—the stub of A. J. Allen, if you please. If I look at this stub-book I find the red line across it, and I would assume necessarily that that account had been closed. If it is a false entry put there to misguide me, I could not tell from Allen's account whether the \$10 had been paid me or accounted for to the University. When the red line was there, I would assume—and rightly, I claim—that I had properly settled it then and the voucher had been surrendered to me and by me to the University. I would assume the signature was genuine. If the red line was not there, my custom would be invariably to call upon Dr. Rose and ask him the question, if it stood any length of time, "Why has not Mr. Allen's account been reported to me as a forfeiture? Why is it not settled? Why is it not closed up? If Mr. Allen is not going to return, report it to me as a forfeiture that I may credit the University with it."

Q. Are you not able to state the fact that the prices at which you bought goods are charged lower than the manufacturer's prices?

A. I suppose them to be very much lower.

Q. Who recommended the purchase of the chemicals abroad?

A. The gentleman who was the most active in recommending the purchase of chemicals abroad was Dr. Cocker. Dr. Cocker visited Europe in company with a friend of his, a Canadian gentleman, a Professor at Coburg University, for the purpose of purchasing apparatus for that institution; and on his return he called my attention to the fact that goods could be purchased there very much cheaper than they could be purchased here, and he thought it was a great waste of money to buy in New York (goods that were manufactured in Germany.) He offered on his own account to go before the Regents and make a statement to that effect, and did go before the Regents.

Q. Did you not go before the Regents with Dr. Cocker, and did he not urge the purchase of chemicals?

A. That I have answered.

Q. Is not the laboratory working with a large number of students all through the year?

A. Yes, sir.

Q. During the vacation?

A. No, sir; during the college year.

Q. Do you in the month of October usually receive anything more than the deposit money?

A. That is all.

Q. Wasn't the first change made in computing the laboratory accounts provided for in the resolution offered by Regent McGowan at the December meeting in '75? See record, page 500.

A. The following resolution, submitted by Regent McGowan, was adopted:

"Resolved, That the Finance committee are hereby instructed to make such arrangement with the steward and director of the laboratory that hereafter all moneys deposited by students in payment for chemicals be deposited with the steward, whose receipt for the same shall entitle the student to the same credit on the books of the laboratory as though payment had been made directly to the director or assistant."

Q. Please look at the proceedings of the Board, page 114,—resolution at the foot of the page, and state whether that was the first resolution under which assistants were engaged?

A. On page 114, under date of June 25, '61, I read the following:

"On motion of Regent Johnson,

Resolved, That Professor Douglas be authorized to employ an assistant in the chemical laboratory for the ensuing year, at an expense not exceeding \$250, subject to the approval of the Board."

Q. Suppose that there were at times balances in your hands in favor of the University, ought you to be charged interest on such balances unless you used the same for your individual purpose?

A. I think not, sir. I think that, as I have already stated, money in my hands, subject to be drawn out at any moment, I could not use it for payment of University debts, or bills of the University, and that it would be precisely in the nature of a bank of deposit, if you please.

Q. On call?

A. On call. If I go to the bank to borrow money I always notice that they charge me interest. They do not credit me interest on money that they borrow of me.

Q. How much money has been appropriated for the building up of the laboratory by the Board of Regents?

A. I make the amount appropriated by the Board of Regents for the laboratory building and fixtures to be \$19,815.88; I make the amount appropriated for that length of time, \$1,933.31; I make the amount, or rather Regent Climie and myself have found, by careful going over—of which the invoice is here, or may be produced here,—the net earnings of the laboratory to be somewhere near \$35,000. In those earnings of the laboratory I did not refer to the annual payment of students for initiation fee, etc., that would increase the amount, etc., probably, from the students who come here, to the extent of \$2,000 or \$3,000 a year. That does not go into the laboratory at all; it goes into the general fund.

Q. Have you to the best of your knowledge and belief ever received any money from Dr. Rose from the laboratory or from any other source belonging to the University, which you have not accounted, unless it be a small amount of deposit money unconsciously retained?

A. I have no knowledge of any money received from the University that has not been accounted for except in the manner in which you stated. I hardly think I have received *any*.

Q. Don't you know as a fact that Burleson, the steward who preceded Mr. Bennett, was careless with reference to keeping the books and papers of the University, and that when Bennett came in many books, papers and vouchers were missing?

A. That is so, as I stated; so understood by all parties connected with the University.

Q. Do you know that from your personal knowledge?

A. I know that I frequently sought for papers, documents, and information in the secretary's office that can't be found,—that were used in his time.

Q. That hardly answers that question. Don't you know of a fact that Mr. Burleson, the steward who preceded Mr. Bennett, was careless with reference to keeping books and papers of the University, and that when Bennett came in there many of the books and papers and vouchers were missing?

A. Yes, sir; I think I can answer positively, that he was a careless man.

Q. You know that there were books and papers and vouchers missing when Bennett came in?

A. Yes, sir; I think I have personal knowledge of that fact.

Q. Who succeeded Mr. Hough in keeping the books and accounts, and where is his work found on the ledger?

A. Dr. Lewis succeeded Mr. Hough. The ledger of '65-6 shows his work. This is Dr. Lewis' work on pages 211, 251, and 141, along through here. I will state that Dr. Lewis' handwriting is very distinct, and not readily mistaken.

Q. Is Dr. Lewis' work indicated by his initials being placed on it?—on each page of his work?

A. Yes, sir.

Q. And Mr. Hough's by his initials?

A. Yes, sir.

Q. Dr. Rose's by his?

A. Yes, sir.

Q. Do not the accounts kept by Lewis on the ledger correspond to the vouchers found in your report?

A. They do, sir, very completely. Dr. Lewis' work is accurate. He returns vouchers to me, and they correspond with the books, and they correspond with my report. There were no delinquencies in Dr. Lewis' time.

Q. Was not Dr. Du Bois dismissed because he made that report, the record of which is on page 104, June, '63, direct to the Regents instead of you?

A. I have no recollection that he ever made a report to the Regents. I can state why he was dismissed.

Q. What were the reasons of his dismissal?

A. Mr. Du Bois was assistant in chemistry for several years,—two or three years. He became restless in his position and desired to be promoted to a professorship, made an application to the Regents for promotion, and that application was referred to the committee on the chemical department. Regent Bishop was chairman of that committee. From the records it appears that a careful examination was made of the merits of his application,—at least a very lengthy report was drawn by Regent Bishop (which is now on file, and my recollection is I saw it in the hands of Mr. Bennett a few days ago), covering several sheets of foolscap, reviewing the whole condition of the laboratory and its want and needs. His report was adverse to Prof. Du Bois' promotion, for reasons given in the report; and the recommendation of the committee was that he should not be

promoted, but I think discontinuing his service as assistant. I don't know that Professor Du Bois ever made a report to the Regents. I have no recollection of it. He may have done so; it is hardly possible that he did. Seems he did,—I beg your pardon; I read it only a few minutes ago. He did make a report. I had forgotten all about it. Previous to his leaving the University I placed him in charge of one of the rooms of the laboratory, gave him a sort of independent charge; he requested it; one of the working rooms of our department of instruction; he became restless; was discontented with his position, and desired to be put in an independent position, naturally enough. I did not find any fault with him for that. The funds received in that department for material were placed at his disposal, and he accounted to the Regents for them under my directions. I never had any objection to his making such a report, if he ever made it; it seems he did. I had forgotten that he had, but it was made with my consent in my room.

Q. Was it any part of Rose's duty to keep records to show how much deposit there was in your hands, unconsciously or otherwise?

A. It was part of his duty to keep me advised of the deposit money and its condition.

Q. Was it any part of Rose's duty to keep records to show how much deposit money there was in your hands, unconsciously or otherwise?

A. It was his duty to keep a record of all moneys in the laboratory, and the stub-book is that record, and it should be kept correctly.

Q. Did not the union school of Ann Arbor purchase of you October 13, '64, one battery for \$40?

A. I think they did. I have forgotten the price of it.

Q. Will you show the committee when and where you accounted for that money?

A. I accounted for it on the "assistant's account," as it is called, or I credited the "assistant's account" with that sum.

Q. Does it appear on your annual report?

A. Not on my annual report. On my special report I think it does appear.

Q. Is that special report here?

A. No, sir; it is not here.

Q. Is it in existence?

A. Yes, sir; it is in existence, I presume.

Q. Have you got in this book any entries of your showing anything about it?

A. I think there is an entry of it.

Q. Can you find it?

A. If I have not accounted for it, I have it on my hands to be accounted for. There is a credit on that account of \$50 to the union school of Ann Arbor.

Q. State when you first became a professor in the University,—in what capacity and with what salary?

A. I was appointed assistant professor of chemistry September 12, 1844, with no salary.

Q. State what salary you had since your first appointment, from time to time?

A. On the 5th of August, '46, for the first time I received a salary for the actual time employed, \$700 a year. December 24, under that resolution, I was paid \$266.66. January, '47, I was appointed to the duty of superintending the building and grounds. I held the same position really that Mr. Bennett holds

to-day, with no salary. August 15, '47, I was paid \$266.66; January 19, I was paid \$266.66; January 19, '48, I was paid for services as superintendent of the building and grounds, \$200. On the same date my salary was made to services as professor and superintendent of buildings and grounds, \$800 a year for all those duties. I have been paid from time to time at the rate of \$800 a year up to the year 1853. In 1854 my salary was raised to \$1,150; in '57 it was made \$1,320; in '64 it was made \$1,500, the same as other professors; in '65, \$1,700; in '67 I received \$1,812; in '68 I received \$2,109.38; \$250 of that was for services in superintending the erection of the laboratory; in '64 I received \$2,500 salary; \$875 of that was for services in superintending the erection of the medical college; in 1869 I received \$2,700, \$200 of which was for salary and \$700 for services and superintending the buildings; in 1870 I received \$2,000; in '71, \$2,250; in '72, \$2,500, in common with other professors; in '73, \$2,500; in '74, \$2,500, and in '74, I received \$425 for extra services for superintending the laboratory; in '75 I received \$2,500. I received during all this period of the existence of the laboratory, on account of interest for money advanced, \$864.22; I received an average salary from all sources the period I have been connected with the University, \$1,311.10; I have received from extra services superintending buildings, superintending grounds,—services now performed by Mr. Bennett,—since my connection with the University, \$1,709.29.

Of the services I have performed in this capacity as superintendent of the ground and buildings, I would say that I built the south wing of the main University building, I built the entire medical college, I built the laboratory, I built the observatory, I built the water-works, I put in the steam work for the various buildings; and during this entire entire period of time I have never had a vacation but once, either in vacation or any other time.

Q. If there is any report with reference to steam heating, read it.

A. On the first page of the volume, commencing with the proceedings of January 5, 1870, I find the following: "Regent Gilbert and the committee on heating the law and medical buildings and laboratory, makes the following report, which was accepted: 'The undersigned, a committee to provide the law and medical buildings and laboratory buildings with steam heating apparatus, respectfully report the work completed to our satisfaction. The lowest bid received for the work was \$14,000. This so much exceeded our estimate that we resolved to undertake the construction of the necessary work without employing those who had offered bids. The total cost of the work has been \$10,007.48, exceeding our estimates \$2,000, leaving out the museum building, which will require a further expenditure of about \$1,500. Much of this extra cost is to be charged to undue precaution taken to provide abundant boiler and pipe service by which to guard effectually against failure to heat the building properly in the coldest weather. We have sufficient power to heat both the buildings now provided with steam. It now seems that the saving in fuel and insurance will be nearly \$1,500 annually.

'THOMAS J. GILBERT,

'S. H. DOUGLAS,

'Committee.' "

Q. Was the commission paid you included in the sum of \$10,007.48?

A. I presume it was.

Q. Were there any bids lower than your \$10,000?

A. No, sir: it was lower by about \$4,000 than any bids which we received.

I would say in connection with that, that the plan and the details of all that heating were carried out by myself, and the whole supervision of the work,—personal supervision.

Q. What was the commission paid?

A. I think it was 8 per cent. I would say, in speaking of the services I have performed, the enumeration which I have given here, covers but a fraction of the services I have performed for the University.

C. B. GRANT RECALLED.—FEB. 2, P. M.

By Mr. Kelley :

Q. Was the annual report of Dr. Douglas for the year '73-4 referred to you for examination?

A. I think it was, sir. I can tell by looking.

Q. Look on page 405.

A. Yes, sir; it was.

Q. Did you ever report to the Board of Regents upon the doctor's report for that year?

A. I think we did.

Q. Do you find it in the proceedings?

A. I do not.

Q. Do you know of any reason why it was left out?

A. I do not, unless it was by oversight of our Secretary. Sometimes in our meetings he had been out of our room while we have been going on with our proceedings.

Q. At any other year during your official connection with the University, have the annual reports of Dr. Douglas been referred to you or to any committee of which you were a member?

A. They have, I think, been referred to the finance committee, of which I have been a member, and I think they were referred to that committee every year with the exception of the time of this one.

Q. When such reports were referred to you, either individually or as a member of the committee, did you find time to examine such reports and correct the footings of the same, if there was any error?

A. We examined the reports. I can't say as to correcting the footings. I have no recollection in the reference of the examinations, of running up the footings myself.

Q. When arriving at your conclusion as to the amount of money in the hands of Dr. Douglas, did you take into consideration any errors in the footings of these reports?

A. I don't remember that point definitely. I recollect one or two errors in the footings, which if my memory serves me right were in the footings. I have no distinct recollection now of that part of the matter.

Q. Was not the report for the year '73-4 reported to the Regents by Mr. Bennett in October,—the one that was referred to you?

A. I don't remember, sir, whether it was reported to them by Mr. Bennett or not.

Q. Did you check over or examine any of the items, or all of the items, in the reports of Dr. Douglas for the year '69-70, '70-1, '71-2, and '72-3?

A. My impression is that we did.

Q. Did you discover any errors or mistakes in the charges upon the debit side of these reports?

A. I will say I have no distinct recollection about that. I don't remember, as I said before—there were one or two errors discovered in some of the footings, I think, in some of the reports. My recollection is that there were some mistakes on the debit side and some on the credit side.

Q. Point out any items that were rejected in that report of '69-'70.

A. I don't see any, in glancing over, that I have any recollection of having thrown out or rejected.

Q. Do you think that Dr. Douglas, in his settlement with the University for that year, was allowed all the items embraced in that report?

A. So far as I see now; I can't remember definitely now.

Q. Point out any items that were rejected from that report of '70-1 on the other side as being erroneous,—whether there were any items rejected by the committee who examined that report?

A. You mean the finance committee?

Q. The committee on investigation.

A. I do not see any items that were thrown out.

Q. The same question as to '71-2?

A. I don't see any there that I recollect that were thrown out by the committee.

Q. The same with reference to '72-3?

A. I see no items on the debit side that I remember to have been thrown out by the committee.

Q. While examining the accounts of Dr. Douglas with the University, and also the accounts of Dr. Rose, in the laboratory department, did you have occasion to examine the report for '67-8 made by Dr. Douglas to the University?

A. I think we examined them all.

Q. Did you make any corrections on the credit side of such report, or any deduction?

A. I judge only from the figures in ink and pencil which I see upon the report. I see it was there figured up in ink at \$4,730.99, and it was in pencil marked \$4,574.99. I can't tell just now what it means. I think mistakes were found by the Climie-Rynd committee in the footings, and my impression is that this committee took those footings by that committee, or the statements in regard to those corrections, as correct. That is my impression.

Q. Was it usual for the Board of Regents in receiving these reports from Dr. Douglas to pass upon them?

A. I think it was, sir.

Q. Was that the fact in a majority of cases?

A. I think so, sir. Ever since I have been on the Board I think I have a distinct recollection each year that these reports of Dr. Douglas have been examined. Once I remember—whether it was '73-4, the year referred to—I remember once examining myself, I think with Bennett and Dr. Douglas, at the request of Mr. Gilbert. I think he wrote me a letter that he could not be here to examine them, and referred them to me. I have a distinct recollection of reporting so.

Q. Do you know of any reasons why Climie was not examined before that committee as to the results of the examination which he had made by authority of the Board of Regents?

A. I know that it was stated, I think by the members of that committee, that they in their investigation had made no attempt to decide the question as to whose hands the money was in at all, and this committee, consisting of Mr. Mc-

Gowan, Mr. Estabrook, and myself, were appointed to investigate that fact. Clunie was here, and my recollection is that we were in conversation with him frequently in regard to the matter. I have no knowledge myself that he knew anything in regard to the matter. I will say—

Q. You knew that he had been authorized by the Board of Regents to make a careful examination of the accounts of the laboratory prior to that?

A. Yes, sir.

Q. You also knew prior to that time that he had spent a considerable time in that service?

A. I did, sir.

Q. Did you employ Mr. Tregaskis, the accountant, and put him at work at these accounts under express directions of yourself and McGowan, under the authority of the Board?

A. Under the authority of the Board, according to my recollection of the resolution appointing us.

Q. I perhaps did not make my question quite clear. Did you direct his work upon those accounts,—under specific direction from you what to do?

A. I think we did. I think we directed him what to do in the matter.

Q. Did you give those directions in writing?

A. I think not, sir. I have no recollection that they were in writing. Mr. Tregaskis was here all the time employed under the authority of the resolution instructing this committee to investigate.

Q. Did you direct his labor to his specific business and only to such business as you specified?

A. I think not, sir. If we wanted a table made out or an investigation, we asked Mr. Tregaskis to make it, or anything else that came up in connection with the transaction.

By Mr. Taylor:

Q. If the University was indebted to Dr. Douglas, why did not the Regents pay him instead of allowing interest?

A. Does that refer to different times during his term there?

Q. Yes, sir.

A. I can only answer of course for the committee. I was upon the Board, and from the records in regard to the matter it appears that Dr. Douglas had the entire charge of the expenditures in the laboratory, and I think it was understood,—at least it was from his annual statements,—that he advanced money, as the occasion required for it to be advanced, in settling with him only. I know of no other reason than that. It was expected that the laboratory accounts, outside of paying the salaries of professors and assistants there, and outside of the special appropriations for the building, should run to the laboratory; and whatever was made should go into the laboratory for the purchase of apparatus and materials, machinery, etc.

Q. At the time you examined the report of Dr. Douglas for the year of '73-4, instead of reporting it correct and recommending its passage, did you not submit the following resolution (see Record, page 409, '73-4):

“Resolved, That all employés of the University from and after this time shall be paid quarterly for services rendered upon warrants?”

A. I will say I introduced that resolution, but not in lieu of making any report of that kind. It had nothing whatever to do with the report in the slightest degree, or with the report or with the reporting of the resolution.

Q. Did you report that report of Dr. Douglas correct?

A. I think we did, sir.

Q. Is it upon the records?

A. No, sir. I see no record here of our report having been made.

A. Is it not true that this report was laid by until the meeting of October 15, 1875 when this same report was reported upon by Regent Gilbert and pronounced correct? See page 484.

A. It seems it was reported by him at that time. It evidently was not reported to the Board until the next meeting. I see that report, I judge, was handed in probably at the last day of our meeting,—the June meeting,—and was not reported upon until page 584, in the sense that it was laid over. Probably no opportunity occurred to examine it until the next meeting of the Board.

Q. Is it not true that this report was laid over until the meeting of October 15, 1875, when this report was reported upon by Regent Gilbert and pronounced correct?

A. Yes, sir. I judge the attempt of the question was to connect the report and resolution together. No evidence appears upon the record of their being connected in the least degree. The report was not examined, probably, and reported upon, in the sense that it was laid over, which would involve a resolution by the Board. In one place here it was referred to Secretary Bennett and myself to examine, and undoubtedly we reported it at the next meeting of the Board, when they were found correct. They were undoubtedly approved by the Board.

By Mr. Kelley :

Q. Do I understand you that at the next meeting after which it was presented, yourself and Bennett did report upon it?

A. I presume they did. I see Regent Gilbert was the chairman of the finance committee, and they were reported to him, and he reported to the Board. Reports come naturally from the chairman of the Board.

By Mr. Taylor :

Q. If, as you say, this report had been reported upon by you, would Gilbert have reported again in 1875?

A. I don't see that it had been reported upon at the June meeting. It was reported by us correct, and it was reported by us undoubtedly through the chairman of the finance committee, Mr. Gilbert, from whom those reports nearly always, almost invariably, were made.

By Mr. Kelley :

Q. Mr. Gilbert was chairman of the finance committee?

A. I think he was.

Q. At the time the report was submitted to the committee it was reported?

A. Yes, sir.

Q. Who conducted the investigation since June last on the part of the Board of Regents?

A. Regent McGowan, Regent Estabrook, and myself. All three of us, I think, had a hand in it.

Q. Did you summon all testimony that you could think of,—everything in your reach bearing upon this?

A. We did, sir,—every one that I knew of. We stated publicly in the room, which was probably half full, that we desired, in addition to those we sum-

moned, anybody that knew anything about the matter, in any way or shape, either for or against either of the parties. The offer was made publicly.

Q. While Regent Gilbert was upon the stand did you or any member of the Board of Regents question him in regard to any irregularities in the laboratory?

A. I don't think we did. The testimony will show for what purpose we brought him upon the stand. I think he testified in regard to the charge made against Dr. Douglas about receiving commissions for chemicals, and we heard that he had been to N. Y.,—I guess he told us himself that he had been to N. Y. to examine into the matter, and was admitted upon the stand to testify in regard to that.

Q. Was it not generally supposed that he knew something about those records, having spent two months upon them?

A. Not that I am aware of, anything more than his report; and I think he himself stated—

A. Did you not suppose that any man who had spent three months upon those records would know something about the condition of things in that laboratory?

A. I presume he would.

Q. Why, if you wished a thorough investigation of that laboratory, did you not question him in regard to those matters?

A. My recollection—I know that Mr. Climie was here for some little time, and that we were in constant consultation with him. We regarded him as nearly one of us; one of the Board. We asked him freely in regard to the matter, but I had no knowledge or supposition that he knew anything in regard to where the money was any more than either one of us did, they expressly having stated that they took no testimony in regard to that matter, but simply took it upon the accounts. I did not understand that any witnesses were sworn before what was known as the Climie-Rynd committee. They simply took the books and papers, and went through them to ascertain the amount of the deficiency, and it was intimated to me that Regent Climie knew nothing more about where the money was than either one of the investigating committee did.

Q. Did not Climie volunteer to the Board of Regents at their June meeting another explanation to that \$104.25 than what Douglas had given, and did you not refuse to receive such testimony?

A. Before the committee?

Q. Yes.

A. No, sir. I recollect Climie at the June meeting differed with the committee. I forget now the point of the disagreement, but he differed some in regard to the \$104, and I think we talked with him. I am sure we talked with him during the investigation in regard to that very thing.

Q. Still you did not think it was best to have him as a witness?

A. We had all his views before the committee in regard to the matter, and it was simply a question of inference from the facts. I don't know that he knew any facts different from what we knew, we had his explanation in regard to the matter.

By Mr. Kelley:

Q. Did not Regent Climie also have a different view in regard to interest that had been charged by Dr. Douglas?

A. I judge from his report he did.

Q. Did you ever ask him in reference to that?

A. I think we talked the interest matter over frequently with him.

Q. Did you receive his theory of the interest question?

A. We did, sir. We talked it over with him. We took no evidence from him in regard to that, but we talked very frequently in regard to that. I will state right here, you will find that thing was discussed in the majority reports of Climie and Rynd, and also in the minority report of S. S. Walker. We had the theories of all parties concerned in regard to that.

Q. Why didn't you take these views in reference to that in your investigations of chemicals without putting it in evidence?

A. Of course there was nothing before us in regard to that. We had no report from them in regard to it at all.

Q. You could converse with him upon that subject?

A. Of course we could, sir; undoubtedly we did.

By Mr. Mills :

Q. Were the board [aware] that all the time the laboratory department was in debt to Dr. Douglas?

A. I can only speak for myself. I was only aware of it from the reports that were annually made to the board. I made no investigations in regard to these matters here except when we were examining the annual reports.

Q. Was the understanding with the Board that these should be permitted to run the laboratory department in debt at his own option?

A. It was so far as the purchase of these chemicals were concerned.

By Mr. Kelley :

Q. Did not your committee avail itself of the work of the Climie-Rynd committee as much as possible?

A. It did, sir. They were constantly before us, both in our questioning and in our final summing up of the examination.

Q. Was not the reason that the Regents did not pay Douglas the balances owing him instead of paying him or allowing him interest, the fact that the laboratory was expected and required to take care of itself without appropriations from the University funds?

A. I think I always stated it was. That was the case. We expected when the year came around the laboratory would take care of itself, and would not call upon the University to furnish special appropriations.

Q. Was there any distinction made by the Regents or committee between Dr. Douglas' accounts or other accounts presented against the University?

A. In the annual statement and examination they were treated the same way entirely. The proper committees examined them just alike, if that is the question you mean.

Q. Was the report of the Climie-Rynd committee placed in evidence in your June investigation?

A. If you mean formally introduced in evidence before the committee, I say not. We had it there as a part of the record of the Board of Regents.

Q. You accepted the theory?

A. Yes, sir; we took that as a basis to work upon,—one basis at least.

Q. Didn't your committee make efforts to obtain the attendance of Dr. Rynd to the end that he might give you any information he might have? and if so, when and with what result?

A. My recollection is that Dr. Rynd had made some other statement, I think,

before the Board in regard to Dr. Douglas, especially in regard to these commissions; but when the committee met we wrote to Rynd to be here and produce any testimony that he might have before the committee. I think we wrote, and I think received a reply, either by telegraph or letter, that he could not attend at that time, as he was going to the national convention, or something of that kind; and we then telegraphed to him to send over any documents or papers he might have in regard to the matter, and we obtained no response by testimony or documents. I think they are preserved somewhere,—the letters.

Q. Is there any authority for Dr. Douglas to go beyond the amount of funds in his hands for making purchases?

A. To the extent which I have already stated, there has been, knowing, as I supposed all the Regents did, as I myself knew, that purchases were made at times when there were not funds enough on hand to pay for material that was needed and bought; but that at the end of the year the accounts would balance, so that in that sense he was expected temporarily to run in debt. He may call it running the University in debt. He was expected to make advances which the receipts from the laboratory were expected to balance at the close of the year.

Q. Where is such authority?

A. I can't say. The authority exists in the resolutions, and the by-laws which have been introduced here in evidence, and the sanction, as I understand, from the time of the building of the laboratory down to the present time, as I supposed. I know of no special resolution to that effect.

Q. Is it not a fact that the errors found during the investigation of your committee on the debtor and credit side of Dr. Douglas' account substantially balances? and so with the Rynd-Climie committee?

A. Yes, sir: I see here now, referring to the minority report of Mr. Walker, that the debits and credits are put there. There is a statement on page 19 of the proceedings of the March meeting, of the errors in the footings of the reports, I think.

Q. Will you state what the balance is?

A. Footing up the errors on the debtor and credit side it leaves the balance from '68 down to '73, the year in which the errors were found, due Dr. Douglas on such errors, \$84.14, as reported by S. S. Walker in his minority report.

By Mr. Kelley :

Q. Did you take that report as final as far as your investigation on that subject [went]?

A. I can't remember now how extensively we went into the footings, my recollection is that we took that as substantially correct. The work of our committee was to investigate to see in whose hands the money was, and that was the prime object we had in view.

Q. Did Dr. Douglas present you with his special reports, the reports of special funds placed at his disposal, and if so, how many such reports of that year were covering what funds?

A. It was limited to my connection with the Board.

Q. That is, during your investigation?

A. The special reports?

Q. The special reports of special funds placed at his disposal.

A. I don't know as I have examined all the special reports and special funds placed at his disposal.

Q. You don't know that you examined all the special reports and special funds which were embraced in the reports of Dr. Douglas?

A. Except as they came up in connection with this general matter as to the defalcation. There were some reports, I think, which were left out. One was the report which has been referred to here this afternoon in regard to putting in the heating apparatus. I have no recollection now of our having other special reports, such as buildings, etc. I don't think we had in our committee any of these special reports relating to the buildings,—to the different additions to the laboratory, and other matters which Dr. Douglas had charge of.

[Question repeated.]

A. I would have to examine records to show that. I don't remember now. If you will leave the question with me and give me time I will look over the records.

Q. In your report did you place the amount of \$412.50 to the same account that Regent S. S. Walker did?

A. I don't know what that refers to.

Q. Here is Walker's report.

A. I have no recollection now of \$412.50. I don't see any reference here to \$412.50.

Q. In that table of errors?

A. I don't see any \$412.50 in that table of errors.

Q. Upon page 18, near the bottom.

A. The recollection of that is not upon my mind at all now.

Q. Had you ever heard of [any] claim that Dr. Douglas had failed to report or account for all special funds placed in his hands?

A. I never had, sir.

Q. Did not the examination of that committee cover every charge that you then knew to have been made against Dr. Douglas?

A. Everything that I heard of, or had ever thought of. We opened the door wide to anybody and everybody. We did it upon the theory that any defalcation anywhere else would of course throw light upon this thing, so we went into everything that had been charged. I have here a copy of a notice which was served upon Mr. Beal and Mr. Rose.

[The notice is given in evidence and marked "Exhibit K." "Exhibit L," being a reply to the above on behalf of Mr. Beal, is also given in evidence. Regent Grant also introduced in evidence the correspondence to the machinery referred to yesterday as having been purchased in England, which is marked "Exhibit M."]

CHARLES RYND AFFIRMED.—FEB. 2, P. M.

By Mr. Kelley:

Q. Are you a member of the Board of Regents?

A. Yes, sir.

Q. How long have you occupied such a position?

A. Five years.

Q. Have you attended most of the meetings of that Board?

A. I think I have attended all the meetings of the Board during that time. I was not present at one of the meetings,—the meeting held last June; I was present only the last night of the session.

Q. What position upon committees have you held during that time?

A. I have held during all that time a chairmanship of the committee on

medical department, with which the chemical department for a portion of the time was associated.

Q. During that time had your attention been called to any irregularities in the chemical department?

A. Yes, sir.

Q. Was it part of the duties of that committee to examine into the mode of conducting that department?

A. The duties of the committee with which I was associated?

Q. Yes.

A. The duty was never assigned to that committee.

Q. What was the legitimate work of that committee?

A. The legitimate work of that committee was looking after the interests and report of the Board of Regents in regard to the condition of the medical department, but the matter of the chemical department never seemed to be during my time the work of that committee as such.

Q. Your relations with the University commenced in what year?

A. About the 1st day of January, '72.

Q. Have you had any occasion to examine into the manner in which the financial department of the University has been conducted during that time?

A. Yes, sir; somewhat.

Q. Do you know how the accounts have been kept,—both in the laboratory and the other departments?

A. I know something of the matter, sir.

Q. Were you appointed upon a committee of investigation in reference to the laboratory accounts?

A. Yes, sir.

Q. Did you make such investigation?

A. I served with Regents Climie and S. S. Walker on a committee for that purpose.

Q. What part did you take?

A. I met with the committee from time to time, and devoted a certain amount of attention to the work, examined the findings of the committee, and signed my name to the majority report.

Q. Did you devote your personal attention to the examination of the various accounts?

A. No, sir.

Q. Did you pay sufficient attention to ascertain the manner in which the accounts had been kept?

A. Yes, sir.

Q. Will you state if such accounts were kept in a safe or otherwise?

A. I don't think so.

Q. Why?

A. Well, I did not think the accounts were kept in such a way as to protect the interests of the University in certain contingencies in relation to the chemical department, and I did not believe in the plan of running the department, so to speak, outside the University proper.

Q. What do you mean by outside of the University?

A. In the chemical department the matter was run, so to speak, by itself, and the business of the chemical department was not associated directly with that of any other in the business proper of the University, and it was not superintended, in my judgment, by the Regents in the manner of the other depart-

ments, or in which the University may have been said to be superintended. In other words, Dr. Douglas seemed to have charge of making all purchases, in paying out all moneys,—in a certain sense outside of the action of the Board.

Q. Was not Dr. Douglas required to account annually to the Board of Regents?

A. Yes, sir; he should account to the Board of Regents annually according to the by-laws of the University.

Q. Did he not so account?

A. He presented annual reports. I have no remembrance of his annual reports,—no distinct remembrance other than such as you will find in the record.

Q. Was the attention of the Board of Regents ever called to the defalcation in the laboratory department; and if so, when?

A. The attention of the Board was called to a defalcation in the laboratory department. My attention, individually, do you mean?

Q. The attention of the Board of Regents.

A. I have no knowledge of the attention of the Board of Regents being called to the matter until a meeting of the Board in December, 1875,—along the latter part of December, I think. My individual attention was called to the matter at an earlier period,—in November.

Q. Who called your attention to it?

A. The President of the University, by letter.

Q. Prior to that time had you been acquainted with, or did you have any knowledge of, any deficiencies in the laboratory department?

A. I had no very distinct knowledge of deficiencies in the laboratory department; but a letter had fallen into my hands indicating the fact that discounts were given by New York houses, and I ascertained that those discounts were not credited, as far as I could determine, on the bills, and I then, shortly after or about that time, introduced a resolution, which was voted upon, I think, unanimately by the Board of Regents, the October resolution of 1875,—on this matter which you will find reported in the proceedings of the Board.

Q. Do you wish to refer to it?

A. Yes, sir.

Q. Give the page.

A. 484.

Q. Read it.

A. "*Resolved*, That the director of the chemical department shall in future present quarterly estimates covering all probable purchases; that all moneys received for the sale of chemicals to students be duly accounted for and paid quarterly to the treasurer; and further, that duplicate vouchers be presented as in all other departments, covering all payments, in accordance with the existing law."

Q. You say it was after your attention had been called to some deficiencies in that department, that you introduced that resolution?

A. I had received the day before the introduction of that resolution, or that morning just about that time, the intimation of which I have already spoken.

Q. When was your individual attention first called to the deficiency in the laboratory department?

A. What date, do you mean?

Q. Yes; and by whom?

A. I have said to you that Dr. Angell called my attention to the matter by letter the 27th of November, '75.

Q. Have you the letter here?

A. Yes, sir.

Q. Is that the original letter?

A. Yes, sir.

Q. This letter refers to no other matter except the laboratory deficiency?

A. I think not.

Q. Read the letter.

A. I wish to say here, I do not desire, of course, to part with documents in my hands. Is it necessary for me to give up this letter?

Q. No; you can read it, and it will be taken down.

A.

UNIVERSITY OF MICHIGAN, }
Ann Arbor, Nov. 27th, 1875. }

MY DEAR SIR,—It is my very unpleasant duty to inform you that for years Dr. Rose, accountant and cashier of the laboratory, has been appropriating a share of the moneys he has received. We have no means of examining further back than '68, but since then, as near as we can tell, he has taken about \$4,500. As soon as I got track of the matter I summoned the executive committee, who held an interview with Dr. Rose. At their request he gave J. W. Knight a trust deed to the University of his house and lot, as security for his deficit. We had then examined only two years. Since then we have completed the labors of the examination. Dr. Rose admits the deficit, and gives no explanation of it, except that he calls it careless book-keeping. He appears to have suppressed many vouchers on which the accounts were settled. All the details will be spread before the Board at its next meeting. The affair is known here to a very few persons only. We thought it best for the University, and kindness to Dr. Rose, to give no publicity to it, but I have thought it my duty now to inform the Regents of the facts. It has been a most distressing duty to pursue an investigation which is so damaging to one in whom we all have the utmost confidence.

Yours truly,

J. B. ANGELL.

Q. After that notice from Dr. Angell, in what manner was the subject of the defalcation in the laboratory department treated by the Board of Regents?

A. The Board of Regents had nothing to do with the matter until December, as a Board.

Q. What action had they taken in regard to it?

A. The meetings following, do you mean?

Q. What action have they taken in regard to the defalcation in the laboratory department, from the beginning to the close?

A. That is a long story.

Q. We are here for long stories.

A. Well, sir, a report was presented at the December meeting of the Board in 1875, signed by the Hon. E. C. Walker of Detroit, and Regent Gilbert of Grand Rapids, and indorsed, if I use the term correctly, by Regent McGowan. That report you have before you, and it is not necessary for me to read the report, or explain its findings. As the result of that, Dr. Rose was suspended. He remained in that position until the next meeting of the Board, in March following, I think. At the March session of the Board it was proposed to place both parties, in view of the condition of things, on an equal footing, and either suspend Dr. Douglas or place Rose back in the University on a footing with Dr. Douglas, pending a thorough investigation of the whole matter in dispute, the alleged defalcation; and there was a resolution he produced at the

March meeting, which I think I shall find for you in a minute; it is on page 22 of the March meeting of 1876. He was suspended in December, '75. The resolution at the March meeting is as follows:

"Resolved, That Dr. P. B. Rose be and is hereby restored to his position as Assistant Professor in the University, and that he be paid since January 1st, at his former salary." He was then reinstated and continued in the enjoyment of that relation to the University until the June meeting of the same year.

The conclusion of the report of McGowan, Walker and Estabrook is as follows:

"After careful review your committee recommend that Assistant Professor P. B. Rose be dismissed from the employment of the Regents, and the executive committee be instructed to take such measures for reimbursing the University as they shall deem best;" and on motion of Regent E. C. Walker the report was adopted, which, of course, carried the dismissal of Dr. Rose. I was not present, sir, and I only speak from the records.

Well, on the evening of June 19 I was present, and introduced the following preamble and resolution:

"Whereas, The Board of Regents have this day, by vote, expelled Preston B. Rose for alleged retention of University funds, in his hands, to the amount of \$4,322.65;

And whereas, It appears from the report of the committee that there is also in the hands of Silas H. Douglas funds to a considerable amount, to wit.: \$1,174.65, which belongs to the University, and that portion of the total amount in the hands of said Douglas that has been retained by said Douglas for several years past;

"And whereas, further, It is evident that he has been recreant to the trust reposed in him, and that he has, by his own confession, habitually neglected to examine the accounts of the laboratory; therefore,

"Resolved, That Silas H. Douglas be, and he is hereby, dismissed from the service of the University."

This was lost; Dr. Douglas retained his position,—a position which he now occupies in the University. Now, what else would you like to know?

Q. What further action with reference to the defalcation in laboratory department have you participated in? Give us a full history?

A. There has been no action since that time except this chancery suit, and I am not a lawyer and did not participate in that.

Q. Are you a doctor?

A. Yes, sir; a kind of a doctor!

Q. Did you prescribe for the alleged difficulties in the laboratory department?

A. I had my opinion about the matter, as pretty much everybody here had.

Q. Do you know anything about the defalcation?

A. Not very much.

Q. Do you know that there has ever been any defalcation in that department?

A. I am inclined to think there has; I suppose there has.

Q. Do you know anything about how it occurred?

A. It occurred—the parties who received the money did not pay it over to the Regents.

Q. Do you know who is responsible for it?

A. I should suppose that Dr. Douglas was responsible for it?

Q. What made you think so?

A. Because he had sole charge of the laboratory, and the Board of Regents knew no other party in connection with the management of the business affairs of the institution.

Q. Did you examine the annual report that came in from year to year?

A. I did not examine those reports. I have stated to you they were never presented to the chemical committee.

Q. Were they ever presented to the Board of Regents for their action?

A. I don't remember but they all were. They were not all presented to the Board of Regents.

Q. Do you know of any of the annual reports, while you were a member of the board, having been presented, either to the Board of Regents, or presented to the Board of Regents by any committee with any recommendation?

A. I have no recollection of ever voting, since I have been in the board, on the adoption of any report from the chemical laboratory.

Q. I understood you to say that you became a member of the Board of Regents about the 1st of January, '72?

A. Yes, sir.

Q. Was there a report presented by Dr. Douglas in June, '72, and was that report acted upon?

A. The only recollection I have of that matter is such as you will find from the records of the board?

Q. Were you present at that meeting?

A. I was present at the meeting in June, '72, but I have no recollection of acting upon Dr. Douglas' report.

Q. Have you examined the report of that year of the Board of Regents to ascertain whether it was acted upon or not?

A. I examined the report and found no record of it.

Q. Was Dr. Douglas' annual report for that year presented to the board by the committee, or chairman of any committee? And if so, by whom?

A. Please let me have the transactions of the Regents,—the last volume. I don't find any evidence of the presentation of that report; and, as I have said, not being a member of the committee which usually had charge of that interest, of course I have no personal recollection of it. I have no remembrance of reports being presented at all, and I do not see any evidence of it here, so far as I have been able to examine the matter.

Q. As a member of the Board of Regents was it not your duty to see that such reports were properly presented and audited?

A. Well, I suppose in a certain sense it was.

Q. Do you know of any reason why the report of that year was not acted upon and audited by the Board of Regents?

A. My attention has been called to the records of that matter, page 248, in which Mr. Gilbert, chairman of the finance committee, reports that the accounts and vouchers for receipts and expenditures in the laboratory have been examined by the steward and reported correct. Previous to that the matter was referred to the committee on finance. There does not seem to have been any action taken upon the report. That was a portion of Mr. Gilbert's report, and Mr. Gilbert's report, according to page 246, was accepted and adopted.

Q. Was that the usual manner in which claims against the University were audited by the Board?

A. Well, the affairs of the chemical department during my time were referred to the committee on finance when presented at all, and so far as I know any-

thing about it that committee had charge practically of that interest. Of course it was the duty of the committee to see that its affairs, the affairs of that department, were managed in the proper way and reports formally presented.

Q. Was Mr. Gilbert chairman of the finance committee for that year?

A. Yes, sir.

Q. Do you know whether the annual report of Dr. Douglas for 1872-3 was examined by any committee or by the Board of Regents, or any member of the Board, and recommended to the full Board as being correct?

A. I have no recollection of the matter, sir. I know nothing of it other than such report as you may find in the proceedings, if such report is there.

Q. Why did you not as a member of the Board of Regents raise objections?

A. I did when I got at it in October, 1875. It takes a little time to get around to these papers. I am governed purely by the record with reference to the introduction of Dr. Douglas' reports. I do not pretend to give you any fact touching the introduction of these reports as far back as four or five years ago, from personal recollection of the circumstances. So far as I know, sir, the record is correct,—the record of the particular transaction.

Q. It is a correct record of the proceedings of the Board?

A. Yes, sir.

Q. Was your attention called to any reports of Dr. Douglas in your investigation in March?

A. Yes, sir; I looked the reports over then in connection with Mr. Climie and Mr. Walker. That was along in February and March. I met the committee a number of times.

Q. In response to the notice received from Dr. Angell, did you soon after attend the meeting of the Board of Regents?

A. No, sir; not for about a month.

Q. Did you go to Ann Arbor for the purpose of seeing about the defalcation?

A. No, sir; I was not asked to come to Ann Arbor.

Q. When did you first meet in the Board of Regents after receiving their notice?

A. The 21st of December.

Q. At that meeting had there been an investigation had, and was there any report made?

A. Yes, sir.

Q. By whom?

A. The report was made by the Honorable E. C. Walker, from Detroit, Regent Gilbert, and indorsed as follows by Regent McGowan: "I have not been able to make so full an examination of the books and accounts of the laboratory as Regents Gilbert and Walker, but have met with the committee twice; but I am satisfied that the above report is substantially correct in every particular." As I understood it the action of this committee was taken largely upon the investigations of a committee which had been appointed in same year, composed of President Angell, Mr. Knight, cashier of the First National Bank, Mr. Bennett, secretary of the Board, and Dr. Douglas.

Q. Did they make a formal report to the Board of Regents at that time?

A. No. I say the report was the embodiment of the investigations, as I understood it, in December,—at the meeting of the 21st of December, '75. The report embodied largely the investigations of those gentlemen, and was indorsed as correct by the parties signing the report.

Q. At that meeting of the Board of Regents, what evidence, if any, was presented of defalcation in the laboratory department?

A. Well, the evidence presented was such as was found in the report, and which is summed up on pages 485-6, in which Dr. Rose is made responsible for the larger share.

Q. In that report was any amount found in the hands of Dr. Douglas?

A. It was not deemed by the committee or by any member of the committee that there was any clear evidence that Dr. Douglas had had any of this money. In the report and in the discussions growing out of it, it was claimed that it was quite certain that Dr. Douglas had some \$1,600 of the balance; that is, the \$3,147.43, besides the accrued interest, and that the other portion was somewhat in doubt. The resolution introduced by Regent Walker embodies the matter, and is found on page 500. There was no arrangement made that I know anything about for determining the balance. It was not claimed by Mr. Gilbert, who presented the matter particularly. In the discussion it was not claimed that Dr. Rose had any more of that money, nor was it claimed to be certain that Dr. Douglas had the balance; nor was it asserted that it was absolutely certain that Dr. Rose had committed forgery; and the matter remains in that condition.

Q. Was there a full Board present at that meeting?

A. There seems to have been only seven members of the Board present.

Q. Which one was absent?

A. Regent Grant.

Q. I understand that was the meeting at which Dr. Rose was first suspended from his duties in that department?

A. Yes, sir.

Q. Was that by the unanimous action of the Board?

A. No, sir; there was only six members present when Dr. Rose was suspended. There were five who voted for his suspension and one who voted against it, — was nearly unanimous, not quite.

Q. I understand you that after that Regent Climie, yourself, and S. S. Walker made an investigation of the laboratory accounts?

A. Regents S. S. Walker and Climie and myself, in the order in which I have given the names, were appointed, on motion of Regent McGowan, as a committee to examine the accounts of Dr. Douglas with the University.

Q. At what time did you commence your investigation?

A. Well, sir, we met here and really laid the ground work for an investigation in January, 1876. I cannot give the date. We met and talked the matter over, and Regent S. S. Walker stated to us that he had some delicacy in regard to acting as chairman on that committee, going out of his relationship with Dr. Douglas, and friendship running through a good many years, and also from the fact that he was not, properly speaking, a Regent; that is, that he had not qualified. He, of course, was a Regent from the first of January.

Q. Who appointed the committee?

A. The Board of Regents.

Q. How were they appointed?

A. On motion of Regent McGowan.

Q. When did you actually commence the examination of the laboratory accounts?

A. We met in January and laid out a plan of action, and determined on securing an expert accountant; and as the unanimous action of the committee, Regent Climie and myself went to Detroit and called upon Gov. Bagley, knowing him to be interested in University matters, and a leading business man of

Detroit, and also the executive of the State; went to his house and asked him to aid us in securing an accountant,—a competent, industrious, and energetic man, who was in no way connected with Ann Arbor people, or in any manner involved in this matter,—a man who would be supposed to be impartial, and upright, and honest; and as the result of that investigation, through the agency of Gov. Bagley, Mr. Tregaskis was secured, and he came here, and with Mr. Climie and Mr. Walker engaged in an investigation. I was here a number of times, three or four times during that time,—spent sometimes a day here, generally about a day, and finally came here a day or so in advance of the meeting of the Board of Regents, and looked over the plan of Regent Climie and the accountant, their findings, and satisfied myself that it was, in the main, a correct view in dealing with the case of Dr. Douglas, and as the result of such investigation, I signed the report. The committee, let me say to you, pursued the plan which they did on the ground that the resolution under which we were appointed did not give to us any authority to ascertain the individual, personal responsibility of Douglas or Rose.

Q. Do you know whether the executive committee ever attempted to arrange the matter with Dr. Rose?

A. No, sir, I have no personal knowledge.

Q. Did you ever make a report on that subject to the Board of Regents?

A. I don't remember of any special report being made on that subject; they made no report that I remember of. Their actions are on record.

Q. Will you describe to the committee the actions of the investigation managed by Climie, yourself, and S. S. Walker?

A. The plan?

Q. Yes.

A. We investigated the matter, and we found that somebody owed the University several thousand dollars.

Q. Tell us how you arrived at that.

A. We simply examined the accounts.

Q. Where did you find the books and papers pertaining to the laboratory accounts?

A. We found them in the hands of the steward.

Q. Were they removed from that office by the committee?

A. Not in my presence,—not during any of my visits here. I met the committee on all occasions in the steward's office, except the last meeting we had prior to the meeting of the Board of Regents.

Q. How many days altogether were you actually engaged in this Climie investigation?

A. I can't tell you. I was here I think four times,—made four visits to Ann Arbor.

Q. Did you stay several days at a time?

A. No, sir; I don't think I stayed longer than a part of two days at any one time.

Q. Did you require Dr. Douglas to appear before that committee to give any explanation of his accounts?

A. I met the committee, or the resident member of the committee, Mr. Climie, here, and in company with Mr. Tregaskis, at the President's room at the University. They were then conducting their investigations in that room, and they found a good deal of trouble in computing interest and carrying out a clear statement of the case; and I said to Mr. Climie, probably, "Dr. Douglas has

some accounts, books, papers and vouchers that will aid you in this work." said he, "No; I have asked him." I then suggested that Dr. Douglas be called in, and he was called in. I asked Dr. Douglas if he had any books, papers, vouchers or documents of any kind, public or private, that would aid the committee in arriving at a just and equitable conclusion in the matter, involving a computation of interest, etc.; and that is the only interview of any moment I had with Dr. Douglas about the matter.

Q. What was his reply?

A. He said he had not anything only what was already before the committee. He said he had no books of any kind, public or private, except what was already before the committee.

Q. Did you make any examination as to the purchase of chemicals and apparatus by Dr. Douglas?

A. No, sir; not personally.

By Mr. Taylor:

Q. Did you ever receive or carry on any correspondence in regard to the purchase of chemicals?

A. Yes, sir.

Q. Produce them.

A. Here is one.

Q. Read it.

A. This was a letter dated September 25, '75.

"Professor J. Honnell, Coburg, Ont.

DEAR SIR:—Your favor of September 1 was received. If you honor us with your orders, ordering as you say, in corresponding quantities as Dr. Douglas does, we agree to allow you the same discount as we allow to Dr. Douglas, which amounts to from 10 to 20 per cent. off our retail prices, according to quantity and quality, or would charge you wholesale net prices.

ROHRBECK & GOEBELER.

Q. From whom did you receive that letter?

A. I received it from Dr. Honnell.

Q. How did you come to get that letter?

A. He sent it to me.

Q. Have you any correspondence in relation to that letter?

A. There was another letter from the same source.

Q. Anything connected with the purchase of chemicals in that letter?

A. Yes, sir. The letter is as follows:

"If you send us your order any time, say in June or July, we can have the goods at Coburg before the beginning of your lectures, have them entered here free of duty, and we charge you besides the cost of importation only 10 per cent. in addition to the original European bill. We run the risk in New York, having everything reopened and examined. On goods from our store we allow you a discount of 10 to 20 per cent off catalogue prices for those taken in large quantities, or make wholesale prices, which generally reduce the prices even more than 20 per cent. This is the course we had pursued with friend Douglas six years.

We remain yours respectfully,

ROHRBECK & GOEBELER.

Q. Have you been connected with the committee on chemical department, and in what capacity?

A. I was for years chairman of the committee on medical department, which embraced the chemical department.

Q. Did that committee superintend the operation of the laboratory, buying chemicals, auditing accounts, or any other transactions of the director of the laboratory?

A. No, sir.

Q. Why not.

A. The latter never was rendered at all in any way to the chemical committee, or the committee on chemical department, in my time. It did not seem to be our duty, according to the custom existing when I came into the Board,—no part our duty to do that. I understood the attention given to that matter was given by the finance committee, of which Mr. Gilbert was chairman.

Q. Were you satisfied with the manner in which the laboratory was conducted and the accounts audited?

A. No, sir.

Q. What plan did you desire to pursue?

A. I desired to bring the matter down to a position where we could avoid mistakes like those which had occurred, and have such a plan as was initiated in October, '75, which I have read in your presence. I wanted Dr. Douglas to be under the direction of the Board, to transact business matters under the direction of the Board, and have no further responsibility about this matter than any other professor engaged in the performance of his literary duties.

Q. Did you express yourself on the matter? and how?

A. I expressed myself at the time of the introduction of this resolution,—and other members of the board did at the same time, to the same effect,—that that department should be placed in about the same relationship to the University financially which the Medical or Law department or any other department enjoyed,—that all sums should be paid into the treasury,—all moneys received. That was my position on the question.

Q. Did Dr. Douglas seem satisfied with your action at that time?

A. Dr. Douglas made some objections before the Board to the introduction of this resolution.

Q. What were those objections?

A. He said that he had constantly to purchase for the laboratory between the meetings of the Board, and it would hamper him in his purchases. In substance those were his objections;—that so far as he was concerned he did not care anything about handling the money, but he thought it would embarrass him in conducting his work.

Q. What aroused your suspicion that matters were not all right in the laboratory?

A. In finding no discounts allowed as such on the bills purchased, my suspicions were aroused on receipt of those letters.

Q. Have you any knowledge of the percentages, commissions, or expenses made by Dr. Douglas?

A. I wrote to and received a statement from the Secretary of the University covering that matter. In '65-6 he was paid for expenses to New York, \$67.81. No charge for expenses appears in his report for '66-7; in '67-8 he was paid for expenses to New York, \$73.43; in '68-9 he was paid for his expenses to New York, Boston, and Philadelphia, \$105.40; in '69-70 attending on the American Pharmaceutical Association, \$41.17; in '70-1, New York, \$105.40; in '71-2, no charge; in '72-3, New York and Boston, \$122.57; '73-4, New

York, Boston, and Philadelphia, \$113.75; '74-5, New York and Philadelphia, \$95; '75-6, New York, Boston, and Philadelphia, \$148; making for those years, \$876.53.

Q. Were those expenses authorized by the Board?

A. Not so far as I have any knowledge. I don't know that the doctor had any authority by the Board to make any trips to the east.

Q. Have you the statement of commissions?

A. October 5, '68, 5 per cent on \$4,000; services for superintending laboratory enlargement, \$200; January 1, '69, 5 per cent on \$5,762.18 for services, fixtures, and apparatus placed in the laboratory enlargement, \$288.13; November 14, '69, 8 per cent on \$9,266.19 for services as superintendent in putting in steam works in the law and laboratory building, \$741.29; October 10, '74, 5 per cent on \$8,500 for superintending and services for laboratory enlargement, \$425. Those items amount to \$1,654.42. That covers the commissions. That is the only knowledge I have of expenses and commissions paid during those years.

Q. Where did you derive that information from?

A. The Secretary of the University.

Q. What rule, if any, existed in reference to the payment of claims?

A. The only rule I knew that existed is that which existed in the by-laws, page 4 of the by-laws, relating to the property and finances of the University, sections 2 and 3.

Q. Was Dr. Douglas always paid in accordance with such rules?

A. I don't think so.

Q. How do you arrive at your conclusion that he was not?

A. The rule says that no debt or obligation whatever shall be incurred by or on behalf of this Board except by resolution, entered at length on the journal, or by a committee of the Board acting pursuant to the authority expressly delegated by the Board and entered at length on the journal. No accounts or claims shall be audited or allowed except when recommended by the Board itself or by a committee of the Board acting in pursuance to authority expressly granted by the Board. Dr. Douglas' claims, so far as covered by this, were not allowed in accordance to the rule, according to my construction. That is all.

Q. Did the committee on chemical department have cognizance of these payments?

A. No, sir.

Q. Who had?

A. The committee with whom Dr. Douglas had to do directly; the finance committee had, or ought to have had.

Q. Will you please state what amount of such payments, commissions, etc., were authorized by resolution of the Board?

A. I do not think, sir, that any of the amounts which I have given you were authorized by resolution of the Board; that is, I have not been able to find any authority in the record that Dr. Douglas was authorized to charge those, by resolution of the Board.

Q. What committee reported to the Board first in regard to the defalcation in the laboratory?

A. The first report we had in regard to that matter was the report presented in December, 1875, by Regents Walker, Gilbert, and McGowan.

Q. Why was Gilbert asked to serve on that committee?

A. That is a conundrum I cannot answer. I was not consulted on that matter. I do not know.

Q. Were you at that time chairman of the committee on the chemical department?

A. Yes, sir.

Q. In whose hands did the committee which first reported find the missing vouchers?

A. I have answered that question. They have found a portion of the missing money in the hands of Dr. Rose. The balance they left, as I understood the report, undecided.

Q. Did you approve of the findings of such committee?

A. No, sir. I did not think the report was exhaustive, nor did I think the report was in any sense reliable, and I don't think so now.

Q. When were you appointed on an investigating committee?

A. At the December meeting.

Q. Did you have any talk with Dr. Douglas touching the matter in any way? If so, state what?

A. The only conversation I had with Dr. Douglas, of which I have any recollection now, is the conversation which I before stated to you.

Q. Did the doctor produce any books on which were entered all moneys received and paid out?

A. No, sir; not that time.

Q. What did he say upon the subject?

A. He said he had not any books in his possession; that is, he replied to the question if he had any such books—the question was asked if he had any books or papers, public or private, and he replied no.

Q. Give his language in response to that question; what did he say on the subject?

A. I asked Dr. Douglas if he had any books or papers, or documents or vouchers, other than such as had already been presented to the committee that might be of any advantage to us in determining the case, or that had any bearing whatever upon the matter of defalcation; and he said he had not anything of the kind,—that he had furnished us with all the books and papers which he had.

Q. Did you have any talk with Dr. Rose on the subject?

A. No, sir,—never had any talk with Dr. Rose in reference to the matter.

Q. Did Rose make a showing before your committee?

A. No.

Q. Why not?

A. He had not any business to.

Q. What was the result of your investigation?

A. The result of our investigation was the report which is on record. That was the only investigation with which I was connected as a member of the committee.

Q. Did you find where the defalcation rested?

A. Our object was to ascertain the full amount of the defalcation, and we did not pretend to determine by the report that Dr. Douglas had or had not taken all of this money. My own opinion, expressed at the time of the second committee, was Dr. Douglas was responsible to the Regents. Of course, that was simply my opinion. Dr. Douglas performed all transactions with the Regents, and having charge of all the matter should account to the Regents for the defalcation.

Q. Had Dr. Douglas performed his duties faithfully, would this defalcation have been running on for years without detection?

A. No, sir.

Q. Who made all reports and transacted all business with the Board of Regents pertaining to the laboratory?

A. Dr. Douglas.

Q. Did Dr. Rose have any business relationship with the Board.

A. No, sir.

Q. You are a medical man, supposed to have some knowledge of the price of chemicals: do you think that chemicals have usually been bought at a reasonable rate?

A. I examined the price lists, and compared those lists in two or three instances with the bills for those years, and it did not seem to me that they were bought at reasonable rates in many instances. In some instances they seem to be bought very reasonable; in other instances they seem to be high and exorbitant, to me. I have never purchased a bill of drugs in my life, or of chemicals, other than simply going into a drug store and getting what I wanted, and my only knowledge of the matter is a general knowledge.

Q. Are the drugs which you are in the habit of purchasing chemically pure?

A. Some of them are supposed to be chemically pure; but I have no means of determining that. We buy remedies to use in medicine which are said to be chemically pure.

Q. Did you ever purchase a bill of chemicals for the University?

A. No, sir.

Q. Or for any other institution for laboratory purposes?

A. No, sir; that is, I never did directly or personally. I have ordered, as chairman of the school board at home, chemicals, through the Superintendent, from the same house,—Rhorbeck & Goebeler.

Q. What discount was allowed you?

A. 10 per cent.

Q. Has the laboratory been a source of profit?

A. To whom?

Q. To the University.

A. I don't think so. I think if the laboratory had paid for its own expenses it would not be any source of profit. Let me explain to you: the persons in the main connected with it have been paid out of the general funds. The receipts of the laboratory have been, to no large extent, used for that purpose.

Q. Are there any departments in the University which are self-sustaining?

A. The Law Department of the University is, I believe; although not associated with that committee, I believe it is self-sustaining.

Q. Has the Medical Department ever been self-sustaining?

A. Not quite.

Q. Very nearly, hasn't it?

A. Yes, sir. The receipts of the Medical Department are large. I think we have had years when it was self-sustaining, when we had 400 or 500 students. Ordinarily it is not quite.

By Mr. Hinchman:

Q. Does that include pay of professors?

A. Yes, sir; the law department pays its own expenses and something more.

Q. How about the medical department paying its own professors?

A. Not quite. The medical department of the University in distinction from the homeopathic college. I made a careful statement about that matter two

years ago, which I presented to the chairman of this committee; if I remember correctly the chairman of the House committee. I think it lacked about \$1,300.

Q. You claim in your catalogue to sell goods to students for cost. If this be so, whence is the profit?

A. I give that matter up.

Q. Did Dr. Douglas have the use of the laboratory for chemical investigations, analysis, etc.?

A. I suppose so.

Q. Did he ever make any returns of payments into the treasury for materials, etc., used in such investigations and analysis?

A. Not to my knowledge.

Q. Did he receive personal fees for such work?

A. I suppose so, sir.

Q. Did the Board of Regents, or any member of the Board, give Dr. Douglas any authority to purchase an electro-magnetic machine in London?

A. Not to my knowledge.

Q. Do you know of any general rules existing giving Dr. Douglas authority to make such purchase?

A. I know of a rule existing giving Dr. Douglas authority to make certain purchases with money on hand. The general rule is to be found on page 20: "Each student shall be furnished with apparatus and chemicals at cost price on the price list of a New York dealer, and only such chemicals as are actually used shall be charged, and the amount thus received by the professor of chemistry shall constitute a fund in his hand for the purchase of chemicals and apparatus for the laboratory, which amount shall be properly accounted for at the close of each year." Under that authority the doctor undoubtedly would have the right to purchase apparatus and chemicals for laboratory use with money in his hands. I should not think, except under a very liberal construction of that rule, that he would have the right to go in debt for it, either to himself or any one else.

Q. What is the usual manner of appointment of the professors, instructors, officers, and other employes of the University?

A. By resolution, except where a vacancy is created which is necessary to be filled in the absence of the Board; and then it was acted upon, since my connection with the University, at the next meeting of the Board.

Q. Did you object to the chancery bill?

A. Yes, sir.

Q. On what ground did you object to it?

A. I am not a lawyer. The ground on which I objected to it in the meeting of the Board of Regents was, first, that the bill to my mind seemed to be drawn up in the interest, if you please, and by the attorney, of Dr. Douglas. I objected to the employment of such attorney; and, second, it seemed to me from my stand-point that it was impossible to collect any deficit found against Dr. Douglas other than such as was included in this matter of stubs. Of course I *know* nothing about that. I make no confession to any knowledge of legal practice. I was opposed to it on those grounds.

Q. Did you enter a protest based upon such objections?

A. I said to the Board that I had joined with my colleagues, Messrs. Climie and Cutcheon, in protesting against the bill and the employment of the attorney of Dr. Douglas as the attorney of the University.

Q. Who was that attorney?

A. Mr. Kinne.

Q. Was a motion made to dispense with the services of Mr. Kinne?

A. No, sir; not directly. There was a motion made, and agreed to, I think, unanimously, that the executive committee should not employ any person who is now or has been recently connected with Dr. Douglas, Dr. Rose, Mr. Beal, or any other parties to this controversy. I say there was a motion made, and I think agreed to unanimously, to that effect.

Q. What explanation is made in regard to the employment of Mr. Kinne?

A. In the Board meeting?

Q. Yes.

A. Well, Mr. Walker. Mr. Climie objected first to the bill and to the employment of Mr. Kinne, if I recollect correctly, and then Gen. Cutcheon objected to the matter and made certain legal statements which I am not competent to report, in regard to the bill. He stated that he was a member of the executive committee, and wanted to know how the bill happened to be there; that he had no knowledge of it, and was not consulted; and Regent E. C. Walker said he did not know how Mr. Kinne came to have any relationship with the bill. Regent Grant said he could explain it,—that the matter was in the hands of Gov. Felch; that he was the attorney of the Board prosecuting their claims, and that his health was poor; that he was not competent to discharge his duties in the usual manner on account of failing health, and he presumed he had assigned the case to Mr. Kinne. That was in substance the explanation, as I remember.

Q. Were your protests in this [matter?] entered upon the minutes of the Board of Regents in the proceedings?

A. I do not know, from the fact that the minutes, so far as I know, have not been published yet. The protests, so far as I know, were not made in writing. They were uniformly verbal.

Q. Was the report of Dr. Douglas for '73-4 present to the Board of Regents?

A. I think not.

Q. To whom was it referred?

A. I think to Regent Grant and Mr. Bennett. It was not presented in June. I think it was presented in October, and was referred for examination to Mr. Bennett and Regent Grant.

Q. Did they report it back to the Board?

A. On motion of Regent Walker it was referred to the Secretary and Regent Grant for examination, and also there was presented a statement of expenditures of the laboratory enlargement at that meeting; and I have no recollection of Regent Grant presenting the report afterwards to the Board. The only report I find upon the matter is from Regent Grant, and I don't know whether it was designed to cover that settlement or not. I don't know whether his resolution grew out of an examination of the report. It was, "All employes of the University from and after this date shall be paid quarterly for services rendered, upon a warrant signed by the President and Secretary." I have no remembrance of Regent Grant reporting back the reports of '73-4 to the Board, and I have been unable, from the examination I have given the records, to find who is so reported.

Q. Did you ever protest against the placing of Dr. Douglas upon the committee to investigate Rose?

A. Not exactly: I stated in a letter to Dr. Angell that I would suggest that

Dr. Douglas refused to serve in any committee of investigation,—that the people demand fairness and firmness, strike where it will. It did not seem to me hardly fair.

Q. When was that letter written?

A. December 9, 1875.

By Mr. Kelley:

Q. Do you know whether it was usual to allow Professors expenses while attending public institutions?

A. No, sir.

Q. Did you ever know of a case except the one you have mentioned?

A. I never remember of any case.

Q. While you have been a member of the Board of Regents, has any other person superintended or performed services for the University outside of their professional capacity?

A. Yes, sir; they have attended to the interests of their departments in several instances, as reported to the Board sometimes verbally and sometimes otherwise,—I guess during the vacation. Certain parties look after the interests of the museum, certain parties that make purchases for the engineering department, and so on, under the direction of the Board.

Q. Have they been allowed compensation for such services?

A. No; I guess not.

Q. Have they ever asked it?

A. I have no recollection of their asking for any compensation for such services. Services performed during vacation, do you mean?

Q. During vacation.

A. I have no recollection.

By Mr. Taylor:

Q. Did Dr. Douglas attempt to interfere with any member of the Climie committee, or direct as to how the investigation should be carried on, or as to what the committee should do, or how they should do it?

A. No, sir; not that I have any recollection.

Q. Did not interfere with you?

A. No, sir; not that I recollect.

Q. Have you ever compared the bills purchased by Dr. Douglas with bills purchased by other parties, or with the price-lists of the New York dealers?

A. I have already stated that I compared two bills in March when I was here, with the price-list of the New York dealers, Rohrbeck & Goebeler.

Q. How did they correspond?

A. In a few instances the materials bought by Dr. Douglas were lower in those bills than the price-list; in the majority of instances they were higher.

Q. You say the reports from the laboratory were referred to the finance committee when they were presented at all; is it not a fact that the director reported to the Board every year since you have been a Regent?

A. The only basis upon which I could answer that question is the record of the Board, which I presume to be correct.

Q. What years did you understand to be covered by the investigation and report of Gilbert and Walker?

A. As embodied in the report of 1869 to June 30, '75.

Q. Did the committee of which you were a member go further back in the

investigation than the Gilbert-Walker committee? State how much ground you covered that the former committee had not gone over?

A. I commenced with the year '64-5.

Q. Did the investigation of the committee of which you were a member have any other clerk or accountant than Tregaskis? If so, state who it was and what work he did for your committee?

A. Mr. McAllister. I understood that his principal work was in the computation of the interest account.

Q. Did not Regent S. S. Walker, on your committee, report that Rose was requested to appear before the committee and aid them, but failed to do so?

A. I have no knowledge of that, except so far as embodied in this report. I desired, after a consultation with Regent S. S. Walker and Regent Climie to ask Dr. Douglas and Dr. Rose each to present any views or statement which they might desire to present to the committee, but it was concluded that we had no business to go outside of the course we were pursuing; and Regent Walker's report embodies the same facts towards this conclusion substantially. I have no further knowledge that Dr. Rose was summoned before the committee, or that he was requested, other than such as may be found in his report.

Q. Did not Regent S. S. Walker and your committee report that Rose was requested to appear before the committee and aid them, failed to do so? See record, March, '76, page 20.

A. The report is the only knowledge I have of that matter. I had no consultation with Dr. Rose, and did not know anything about his being consulted or solicited.

Q. If chemicals were sold to the students under the rule according to the New York price list, and such chemicals were purchased at less than price list, would there not be a profit?

A. Yes, sir; of course there would. Anybody can tell you that.

Q. Was there any assertion made at the March meeting of '75 by Mr. Beal, in behalf of Mr. Rose, that he knew Rose was entirely innocent?

A. Well, Mr. Beal favored us with a speech on that occasion, and he said so many good things that I don't remember them all; but I think he told us that if we would give the cripple a chance he would prove him innocent, or words to effect; that he believed he was innocent. But my time was principally occupied in studying Mr. Beal's oratory and gestures.

[Question repeated.]

A. I think I remember that he stated that. He said a good many things respecting that matter.

Q. Was not the resolution restoring Rose passed after such statement by Beal?

A. Yes, sir; the resolution of restoring Rose at the March meeting was passed after hearing Mr. Beal's speech. I will say that it was a very effective speech.

Q. From what source has the money which has built and furnished the laboratory come?

A. It would take a good while to go into a computation in regard to that matter. I find that grants have been made by Regents occasionally to build up the laboratory and make additions.

DR. DOUGLAS RECALLED.—FEB. 2, EVENING.

By Mr. Kelley:

Q. Do you identify that as your special report for 1874, and the vouchers?

A. One of my special reports made in 1874.

Q. What for?

A. To cover the summer vacation for an enlargement of the laboratory,—the last enlargement of the laboratory, I believe.

Q. Did you make another special report for that year?

A. I don't remember whether I did or not.

Q. Do you recognize that as your special report and vouchers for 1869?

A. Yes, sir; this is one of my special reports.

Q. For what year?

A. The year 1870.

Q. Does it cover any part of 1869?

A. I don't know whether it does or not.

Q. Would that be your special report for 1869-70?

A. I do not make these special reports annually.

Q. Do you make them oftener than once a year?

A. I make them as circumstances arise.

Q. Did you make more than one special report in the college year of '69-70?

A. I can't remember. My special reports are not annual reports by any means. They are reports of expenditure of funds that came into my hands for special purposes, from time to time.

Q. Did you make any special report of special funds that came into your hands in '71-2?

A. I don't remember.

Q. Can you tell by reference to your book?

A. I don't know whether I can or not. I can tell by reference to the reports, possibly, best.

Q. Have you made any examination since the adjournment at noon?

A. I have had no opportunity to make any examination. I went to the Secretary's office to find special reports, spent an hour there, and found some documents. I was told that they were mostly down here,—not all down here. I found some of them had that were up there. I brought them down and submitted them here.

Q. Is the paper shown you a report of special funds that came into your hands in '69?

A. It is a part of the report.

Q. Does that belong to the other report that I have just shown you,—the report of '69-70 that you have just examined?

A. No, sir; the vouchers do not seem to be with the report. This one I found at the college at noon. I don't know where the vouchers are. They should be up there,—probably are around somewhere.

Q. Have you any knowledge now of having made a special report of special funds that came into your hands in '72-3?

A. I can't recollect; I think I did; I don't know.

Q. If you made any such report, where should it be found?

A. It should be found here, or in the Secretary's office.

Q. Did you ever examine it since you made it, if you have made one?

A. No, sir: I do not know that I have. The records of the Board would show whether I made a special report, probably. That is the best guide.

Q. Have you had any business relations with Dr. Rose outside of your relations in the laboratory department?

A. That is a pretty broad question to ask of one that has been associated with him here for the last 10 years.

Q. Had you any other business transactions or business relations—

A. I could hardly avoid having some relations of a private character with him.

Q. Outside of your relations in the laboratory department of the University?

A. I mentioned one relation that I have sustained to him this morning. He disposed of a text-book at the laboratory for me,—nothing to do with the chemical department directly. He accounted for the proceeds of it to me.

Q. Outside of selling those text-books for you, have you had any business transactions or relations with Dr. Rose, in which money passed between you?

A. I have, occasionally, in our regular settlements,—we have passed memoranda of indebtedness between us.

Q. Did it pertain to matters outside of the University and laboratory department?

A. You may say it pertained to matters—

Q. Just answer the question yes or no. You understand the question.

A. Allow me to explain what the relation is.

Q. I want an answer to the question. Did it pertain to matters entirely disconnected with the University between yourself and Dr. Rose?

A. I really do not know how I can answer it. It pertained in some respects to the University, and in some respects it did not;—business relations that were trifling.

Q. Do you wish to be understood that you do not know whether you had any business transactions and dealings with Dr. Rose entirely disconnected with the University with the exception that you have stated in regard to a text-book?

A. No, sir; I do not wish to be understood so.

Q. Then why can't you answer the question?

A. I wish to be understood that we have had business relations of this character, and I will explain what the character is, and you can be your own interpreter.

Q. I don't care about your explanation if you can't answer the question. I ask you a fair question and expect at least a fair answer. I ask you outside of any business transaction with the University, independent of the laboratory or University affairs, have you had business transactions and dealings with Dr. Rose?

A. I don't know that I ever had any business dealings with Dr. Rose whatever, outside of the walls of the laboratory.

Q. Have you had any transactions with Dr. Rose, either outside or inside of the walls of the laboratory, that was in any way connected with the business of the University?

A. It is a pretty hard question to answer without specifying just what the relations were.

Q. You understand the question,—don't you?

A. I want to give an intelligible answer.

Q. If you bought 100 bushels of wheat of Dr. Rose, you would know it?

A. I never bought 100 bushels of wheat of him.

Q. Have you had any other business transactions disconnected entirely from the University or laboratory matters with Dr. Rose?

A. I don't know that I ever bought anything of him, or had any business transactions with him outside of the laboratory, that is directly or indirectly pertaining to the laboratory, you may say. I have advanced him money, or took his indebtedness for advances when he has been unable to pay his expenses from the laboratory, and those are business relations.

Q. Have you ever advanced him money upon his own account?

A. Whenever I have advanced him money, of course—

Q. Have you ever advanced him money on his own account as a personal transaction between yourselves, not connected with the laboratory and University affairs?

A. All transactions of that nature are personal.

Q. Don't you understand the question?

A. I understand the question, I think, and I want to answer it.

Q. I will ask you again, if you ever had any money transactions with Dr. Rose outside of the business of the laboratory department, entirely independent of it, as a personal matter of business between yourselves?

A. Of that nature, it is a personal matter of business between ourselves.

Q. Have you ever had any money transactions or dealings with Dr. Rose on your private account entirely disconnected with the laboratory affairs?

A. I suppose such transactions would be on my private account.

Q. Do you know whether you ever had any such?

A. I have said so over and over again during this examination. I hold his note of indebtedness when we settled finally, which he paid.

Q. How much was that note?

A. I have forgotten. I think it was something over \$200, and it may have been \$400.

Q. What was that note given for?

A. It was given for money loaned upon which he paid interest. In that respect it is a business transaction.

Q. Wasn't that a deficiency in the laboratory funds that he had not turned over at that time?

A. It was taken in the place of money.

Q. It was to make up the amount that he should turn over to you at a particular time, was it not?

A. Yes, sir.

Q. That was not your own individual fund?

A. I should say in that respect—

Q. Was that your own individual money that you let him have?

A. It seems to be considered as my individual money; it must be; there is no doubt about it.

Q. Outside of that transaction did you ever loan any money?

A. I don't know that I ever did, except memoranda of indebtedness.

Q. Those memoranda of indebtedness, I understood you to say, would be taken up at the next settlement?

A. Sometimes the next settlement, and sometimes carried along, as might meet his convenience.

Q. Have you any other business papers or records of any kind that you desire to present to this committee in reference to the laboratory department?

A. No, sir; I don't recollect anything. I hardly know what the committee have.

Q. I simply ask you if you have any that you desire to present?

A. I don't know of any now.

By Mr. Taylor :

Q. Did you not sell a bill of chemical apparatus to Mr. Kintner, of Kentucky, amounting to about \$150, some time in '60 or '61?

A. No, sir; I have no recollection of such a sale. I don't remember the gentleman. There may have been such a sale, possibly; I have no recollection of anything about it. I never recollect Mr. Kintner.

Q. Have you credited the laboratory with any such sale?

A. I don't know of any such sale credited to the laboratory. I don't know that I have ever sold a dollar's worth to any person in Kentucky.

Q. Look at stub 190, 1873-4, stub-book number 10. That stub shows a deposit of \$20, does it not?

A. Yes, sir.

Q. It is marked "forfeited" by you. Look at your annual statement for the year and see if you do not report the amount at \$10?

A. I evidently made a mistake. I reported it at \$10. That is the usual amount. It is an unusual thing to have a \$20 stub, and I seem to have reported it at \$10 instead of \$20. I reported it with a lot of others. Whether it was Dr. Rose's mistake or my mistake, of course, I am unable to say. I reported it as it was given to me, I presume, though.

Q. Look at the book you have brought into evidence and tell the committee whether the \$50 for union school apparatus is footed in the account?

A. It is not, sir.

Q. How is it entered on the book?

A. It is entered as \$50 from the union school.

Q. Is it entered as the other entries are before and after it? Is it entered in ink or pencil?

A. The amount is entered in pencil.

Q. Is that footed up with the other amounts?

A. I think it is not, sir.

Q. The total amount lacks just \$50 of the amount that should be there as making up the \$50?

A. Yes, sir. I will explain the \$50, if you will allow me to.

Q. Any explanation you may wish.

A. The explanation of this \$50 is this: I employed Mr. Mayendoff as assistant. Mayendoff's circumstances were somewhat reduced. I paid him from time to time in small sums, \$2 or \$3 or \$5, as he might require. I paid him a very small sum indeed, and before the term closed, and before his graduation, Mr. Mayendoff left,—left without a settlement with me. I had no voucher from him, and had never as yet had any voucher; never been able to obtain a voucher from him, and hence I have carried this sum along of \$50 in the form in which it has occurred in this book. I have an impression there was another mistake in the footing there. The \$50 is explained in that way. Not having a voucher from Mr. Mayendoff I had rendered no account of the \$50. It stands there, of course, charged to me until such time as I can produce a voucher from Mayendoff.

Q. When were these articles for which that \$50 was received sold to the union school?

A. I should think about a year and a half ago. I don't recollect the time I have carried this \$50. That will explain in reference to this assistant account here. The Board of Regents have given me for many years \$137.50 a quarter to pay assistants, under a resolution of the Board which has already been re-

ferred to. Until within the last year or two you will observe in my reports that I have carried that amount along in my regular reports, credited it to the University in these reports, and expended it in the paying of assistants, rendering the proper vouchers for those expenditures.

Q. When did you make that entry of \$50 in those pencil marks in that book?

A. I think I made it out about the time the transaction was made with the union school. I don't remember when I made it.

Q. Then why did you not sum it up with the rest?

A. Because I had no voucher for it. I entered no account of it. I had no voucher for it, and I left it to stand there in that form.

Q. Are not the words "Ann Arbor Union School" written in ink?

A. They are.

Q. Why didn't you put the figures there at the same time?

A. I have no recollection why I did not.

Q. You say they were entered there at the time?

A. I supposed they were at the time of the transaction. I didn't know when the entry was made; probably it may have been made all in one transaction for all I know,—made up the general assistant's account.

Q. When did you write "forfeiture" on the stub 190?

A. I think I wrote "forfeiture" on stub 190 during the progress of the examination. The attention of the committee has already been called to this writing upon those stubs. During the first examination, when we would come to a stub that was supposed to be forfeited such as that, I would make a memorandum upon the stub to show that the stub was forfeited, recollect something about it from the memoranda without any particular knowledge whether it was forfeited or not. I would write across it. Mr. Huntington's stub, I recollect, was in my account as a forfeiture stub. Without comparing it with my report to see whether it was for \$1 or \$20, I wrote upon the stub "forfeited." The vouchers for that assistant account I think will be found in a special report.

Q. The package of vouchers and memoranda of '73-4, referred to yesterday, and especially voucher 81,—the memoranda accompanying that package of vouchers,—are not those figures in Dr. Rose's handwriting?

A. I think they are. I have no doubt about it.

Q. If he made the memoranda you handled the vouchers did you not?

A. I usually handled the vouchers. I cannot say with reference to that particular case.

Q. Was it not an unusual thing that a deposit of \$20 should be made?

A. Yes, sir; not common; that is evident. I have been making a list of stubless accounts which I submit to you. I have not corrected the footings of these accounts, and cannot vouch for their accuracy; but I believe they are substantially correct. The paper is produced for the committee.

[Paper marked "Exhibit N."]

DR. RYND RECALLED—FEB. 2, EVENING.

By Mr. Taylor:

Q. How much money has been appropriated directly by the Regents for construction and maintaining the laboratory during your time as Regent?

A. The only appropriation that I can call up during my time as Regent is the appropriation made for the addition in '74. The appropriation made, I believe, was \$7,500. What the cost was I do not know, from the fact that I have

never seen the report. I don't know that it has ever been presented to the Board.

Q. Do you know of any appropriations that were ever made?

A. In my time—no, sir.

Q. Before your time?

A. I am not in a position to give the items of appropriations made. I cannot refer to the facts. They were before my time, and I do not know anything about them from personal knowledge.

Q. Have you examined the records upon those items?

A. I have looked over the items, yet I do not swear before this committee that the statement which I should make here is correct.

Q. As a member of the Rynd—Climie investigation committee, did you personally examine the laboratory books and vouchers of Dr. Douglas' report or accounts?

A. To quite an extent.

Q. For the purposes of your investigation was it your theory that Dr. Douglas was liable or responsible to the University for all money that came into Dr. Rose's hands, whether he (Douglas) ever received it or not?

A. It was and is my theory that Dr. Douglas was responsible to the Board of Regents for all the moneys paid into the laboratory.

Q. In making up the amount of delinquent accounts, did not your committee treat as delinquent a large number of accounts contained in Dr. Douglas' report for the current year, and which was then before the Board of Regents?

A. I don't remember what course Mr. Climie, who attended to the details of the matter, took in regard to any account before the Board of Regents. The committee did not take cognizance of any questions except such as came properly within the years covered by its action.

Q. Does not the price of chemicals vary from time to time, and are you able to state that the price list which you say compared with two bills purchased by Dr. Douglas were risks enforced at the date of such bills?

A. They vary from time to time, sir, and I cannot swear that a statement or list of prices, or price list of the New York firm, was issued at the date of the bills, or that the bills of chemicals were furnished at the exact time that was published.

Q. Can you name any articles which appear to have cost more than the list price?

A. I cannot now.

Q. When did you make such comparison?

A. I made such comparison when the committee were in session, and I made such comparison before the Board of Regents on one occasion, reading it at the March meeting.

Q. Who is the Professor Honnell to whom the letters you have read are addressed?

A. He is professor of chemistry and natural sciences in Victoria College, Canada.

Q. Was he ever a candidate for a position in this University? And if so, when, and for what position?

A. Not to my knowledge.

Q. Do you know how Honnell came to send such letters to you?

A. We were old friends. He formerly lived in Adrian when he came out of the service years ago, and I was acquainted with him there,—did his business

as a physician; acquainted with him when he was serving in Adrian College, afterwards in Hillsdale College, afterwards in Albion College, and I have met him, I think, once since he has been in Canada; and I presume it was through old acquaintanceship, and knowing my relation in this matter.

Q. Were they enclosed in or accompanied by letters from Honnell to you? And if so, will you produce such letters?

A. There was no letter, I think, with the first, if my memory serves me right. I wrote to Professor Honnell afterwards, and he returned a letter which I present to you. This is all the correspondence that Professor Honnell ever sent me in his own name touching the matter. I give it to you in full; the last page is torn.

Q. Can you read it?

A. I can't read it all very well.

Q. You can read it better than I can.

A. I have not corresponded with any one touching these matters that I am not willing to be published in the papers to-morrow morning.

"DEAR SIR:—Enclosed please find answer from Rohrbeck & Goebeler to my last, copy of which I sent you.

"Two things in this last letter are noticeable: First, they profess having received my letter at so late a day: Second, by making no reference to my question as to making out bills, but merely stating the discount as before. Query: Have they written Douglas and received from him instructions? From the letter you can see that they have had correspondence with him in the meanwhile, and that he has as usual ordered a bill of goods from them,—that they seemed to be informed that he has ordered from Berlin. Since the greater part of articles ordered by Douglas are quantities of each kind,—for instance test tubes by the 100, retorts, flasks, and beakers by the dozens and hundreds, reagent bottles for desks by the 50, 60, and 100 sets,—the percentage would amount to about 25, or \$2,000 on the purchase of \$8,000 worth of goods.

"The last page of the letter of Rohrbeck & Goebeler, which is over the signature of "R. & G.," says: "On goods taken from our stock, we allow you a discount of 10 to 20 per cent off catalogue prices; for those taken in quantities we may allow net prices, which generally reduces the price even more than 20 per cent: and this is the course we have pursued toward friend Douglas and others. Now, mark: the goods which they have in stock have paid already a duty of say 35, so that the first cost of the goods is 35, add shipment, add 20 per cent profit to Rohrbeck & G., and you have the price as given in the price list of Rohrbeck & Goebeler; first cost, add 35, duty, add 20, profit; add shipment; first cost 65 per cent, and add shipment; subtract discount 20 per cent, which R. & G. allow off price list, and you have the price which Douglas paid for his goods. First cost, 45 per cent added, and shipment,—for only at this last price can R. & G. make even the small profit of 10 per cent, since laying their goods upon their shelves necessitates their paying high duty demanded by revenue.

Compare this with the cost of apparatus, importing direct or even through the agency of R. & G., to colleges free of duty as mentioned in his letter to me. Apparatus imported direct, first cost, 10 per cent discount. This last 10 per cent can be saved if a sufficient quantity of goods are bought, and any European firm would be glad to give wholesale rates to a University using annually as much as Michigan University; hence first cost, by direct importation, add shipment, cost of goods imported through Rohrbeck & Goebeler, first cost 10 per

cent to advance, add 10 per cent for R. & G., shipment equal to the cost, and 20 per cent added, it is evident that if R. & G., import it for the University, the bill you had originally would not be wholesale prices. The first cost applies on discount to the trade, which constitutes the price list, or first cost 10 per cent added, to which R. & G. had 10 per cent for trouble, which makes at least 20 per cent to the first cost.

Now, I will ask what inducement can Dr. Douglas have to order his goods from R. & G. stock at an advance of 45 per cent? And then, if I understand the letter of R. & G. right, as to what the practice of Douglas' plan, followed for years, even if ordered to R. & G. free of duty, a loss of from 10 to 20 per cent is entailed on the University; and this accords fully with my experience during the last visit to Europe for the purpose of purchasing apparatus.

R. & G.'s last enclosed letter is not explicit as regards the making out of bills, and I do not see how I can write to secure any further information on the matter."

Signed by Professor Honnell.

That is all I have to present on that matter.

Q. The committee of Regents was authorized by resolution of the Board to make an agreement for putting steam heating into the building; was not that committee sufficiently authorized to agree with Dr. Douglas to pay him a commission for superintending the work?

A. I do not think so. I do not think they had any business to pay any such commissions except by express authority of the Board. That is my construction, by express instruction from the Board at the time of receiving such powers, or being so designated to work.

Q. Do you know of any professor other than Dr. Douglas who spent his vacations in superintending the construction of buildings for the University?

A. No, sir. Dr. Douglas has monopolized that business, and they had no chance!

Q. When you say that the law department is self-sustaining, do you mean anything more than that the matriculation fees paid by students entering it are sufficient to meet the ordinary cost of running that department?

A. That is all I have reference to. I do not mean that the law department built itself or put in steam.

Q. Just answer the questions.

A. You gave these other two a chance to explain all day. The law department is doing more than the chemical department. It is paying its own professors.

Q. Was not the law building constructed and furnished, and has not the library been purchased by appropriations from the general University fund?

A. Yes; but will you permit me to say a word?

Q. If it is short.

A. It will be short. Any surplus matriculation fees from the students, or in fact all matriculation fees, go into the general fund from that department.

Q. In saying that the medical department is nearly self-sustaining, do you not include as a part of the earnings the matriculation fees of a large majority of the students using the laboratory?

A. Yes; but they use the laboratory because they are in the medical department.

Q. About what do the matriculation fees of students using the laboratory amount to annually?

A. I can't tell you. The matriculation fees, of course, of pharmaceutical students properly belong to the laboratory; the matriculation fees of medical students are paid as medical students, and then they take a course in the laboratory and pay their bills.

Q. Would not such fees pay the salaries of all the teachers in that department?

A. What students?

Q. Of all the students using the laboratory?

A. Who go there specially for that purpose?

Q. All of them.

A. You mean everybody who goes in there and takes a course?

Q. Yes.

A. I have not made any calculations on that matter. If you can tell how many students are there from this State and from other States, I can tell you, if you furnish me any documents on that matter; but then, of course, as I have said before, the students who are in the laboratory proper as laboratory students, outside of those paying their matriculation fees in other departments, I guarantee it would not pay the salaries of the professors.

Q. Has Mr. Douglas, in running the laboratory, had the benefit or use of the matriculation fee of any student using the laboratory?

A. Personally?

Q. Or for building up the laboratory, either?

A. Not to my knowledge. I am not aware that any matriculation fee of any student had gone for any special purpose.

Q. When did you first make objection to or criticism on the manner in which you found the laboratory conducted when you became Regent?

A. The first objection I made to Dr. Douglas' relationship with the University was at the first or second meeting of the Board which I attended. It was informal. The complaint is entered that Dr. Douglas permitted ladies who had been recently admitted into the University to be ill treated. There was a complaint made that the doctor had seemed to wink at it; that he permitted the boys to treat the girls with disrespect. I think Regent McGowan brought the matter before the Board, and in talking the matter over they stated if the Doctor could not possibly secure order and guarantee proper treatment to all, and particularly to those ladies without protectors, that we ought to find somebody who could. That was the first criticism I made upon that matter. Then I made a criticism on a number of occasions, I think, on the fact that reports came constantly to me that the Doctor was inflicting his own lectures of 20 years ago upon the boys. My first criticism of a public character was on the management of the laboratory,—the manner in which it was managed; was in October, 1875. I have told you that three or four times already.

Q. Was the subject of purchasing chemicals for the laboratory in Europe before a committee of which you were a member? and if so, please refer to the report of that committee in the proceedings of the Regents.

A. Yes, sir. That matter was before the committee on chemical department. It was referred to that committee. It was the only matter that I remember of in connection with the laboratory that was referred to that committee when I was a member of it. (Page 426, Vol. 3, 23d of March, 1875. That report is signed by myself, Mr. Gilbert, and Mr. Climie.)

Q. Had you made any objections to the manner of conducting the laboratory up to the time of making such report?

A. No, sir; not to the manner of conducting the laboratory,—not that I remember.

Q. Was not Professor Wood paid for superintending the construction of the University-hall building?

A. I had nothing to do with that matter; I have no distinct recollection of it; but I heard that he was paid a percentage by the architect. It was a matter between them. I know of no record by which he was paid by the Regents.

Q. Have you any knowledge of an account of stock in the laboratory being taken every year?

A. I never heard of anything of the kind.

Q. Was any account of stock having been taken presented to the Board?

A. Not that I ever heard anything about, or dreamt of!

Q. Have you any knowledge of the going in of the steam apparatus (page 1, volume 2)?

A. I have no personal knowledge. It was prior to my time, but I have heard it spoken of frequently since I have been on the Board; and there is a matter from Dr. Gilbert for heating the law and medical departments.

Q. Has it ever been reported to the Board?

A. Do you mean the detailed bids?

Q. Yes.

A. In my time?

Q. Yes.

A. No, sir; that I remember anything about.

Q. Do you know of Dr. Douglas' making any special report of special funds placed in his hands? If so, in what year and what funds?

A. I don't know any special report. I was not on the committee in which his reports were referred, and in fact always, I think, during the time I was connected with the chemical committee. I do not know. I cannot call it to mind.

Q. Your committee found a much larger amount due the University than the McGowan committee did; how did you account for the difference?

A. I do not really know the course pursued by the McGowan committee. I was not on the ground at all. I was not here when the report was presented, discussed, or adopted; but our committee went on the basis,—well, we proposed to find the total deficiency or defalcation, and present that to the Board of Regents, and I aided the committee to the best of my ability as far as I could give time to the matter, and in accomplishing that work, as I have stated this afternoon, without placing the responsibility or dividing the responsibility, or if such division may seem proper in law without taking the responsibility of doing that, thinking it was no part of our duty.

Q. Did not the friends of Mr. Rose in his behalf request your committee to take the testimony and hear him, and did your committee not refuse it?

A. Mr. Beal came to me on one occasion at the hotel, and asked me if I did not think the committee ought to hear Dr. Rose,—that they desired to present his case, or words to that effect; and I saw Mr. Climie in regard to the matter, and said to him that I would talk the matter over with the committee, but not giving much time to the subject personally. Of course that would be governed somewhat by the opinion of the majority of the committee. I talked the matter over with the committee, and we partially agreed on a plan; and I wrote a letter, which may be in the possession of Mr. Climie, asking him to present or send a copy of that letter to Dr. Douglas and a similar copy to Dr. Rose, desir-

ing both parties to present any facts that they might have, or which might aid in any way in connection with this matter, or make any statement which they desired to make before the committee. I went away at eleven o'clock that night, or half past eleven; and, as I understood on leaving, that was the arrangement. Afterwards Mr. Climie and I think Mr. Walker (so I was informed, I think, by both parties; in fact I know I was informed by both parties)—Mr. S. S. Walker, decided that it was none of their business to investigate the matter of Dr. Rose, and that they did not think they had anything to do with this case, as it was transferred to the court; and of course, being naturally an Uriah Heath sort of an individual, I submitted.

Q. Do you, from your examination of the accounts of Dr. Douglas, find or believe that the University was at any time indebted to him?

A. I believe the report that Climie and I made.

Q. Just answer the question.

A. Just let me look at the book.

Q. Do you, upon your examination of the accounts of Dr. Douglas find or believe that the University was at any time indebted to him?

A. The report which Mr. Climie wrote out and prepared, and which I signed, shows that at the end of the college year for the years commencing from '64-5 up to the close of that report,—at the end of '64-5 there was due the University \$829.24; '65-6, \$1,573.73; '66-7, \$1,243.20; '67-8, \$2,566.66; '68-9, \$576.08; '69-70, \$2,953.28; '70-1, \$4,366.12; '71-2, \$4,848.81; '72-3, 6,218.70; '73-4, \$5,524.25; '74-5, closing our investigation at that time, \$5,650.50. That shows from our report what the University ought to have had, according to our investigation, at the end of these years I speak of. Now, I would say, my opinion was, Dr. Douglas was responsible, in my judgment, to the Board of Regents; ought to have accounted at the end of each year for this money, and could have accounted for it provided he had done his duty. Is that satisfactory?

Q. Did you ever enter any protests either by letter or telegram against that June investigation,—the holding of the June meeting, I should say?

A. I know what you have reference to. I do not remember of entering any protest either by letter or telegram touching that matter. I was gone to Cincinnati to the national convention.

Q. Did you receive any notice of that meeting?

A. I did.

Q. When and in what manner?

A. I received a notice, I remember, on my returning home Saturday afternoon. I received a notice a week or ten days before that time that there was to be a meeting along on Thursday or Friday of that week in which the Cincinnati convention was held. But while I was a delegate to that convention—and of course I went down there; that seemed a big thing, you know, and I could not possibly get home by riding all night. I got home on Saturday afternoon between one and two o'clock, and I could not get here. I could not leave there sooner than 10 o'clock that night. I did not know whether there was any train coming through here Sunday morning; did not suppose they had the meeting on Sunday, and I started on Monday morning on the first train and came here. I was here at the evening session. I received notice, when I arrived home Saturday afternoon, of the meeting,—a telegram, I am inclined to think, from Dr. Angell. I received a telegram Saturday afternoon from some party connected with the matter to come. Yes: I have a letter signed by Regents McGowan, Grant, and Estabrook:

"We have fixed the meeting of the Board of Regents for Friday evening in order to give you ample time to get here. We fixed the time after consultation with Mr. Beal, and mainly at his suggestion. If you are not here on Friday evening we will hold our report until Saturday anyhow. If the convention lasts longer than Thursday, telegraph Bennett when you could be here. We want every member of the Board present, and desire that there be a full meeting. We wanted to call the meeting next Wednesday, but put it off on your account. Mr. McGowan is likely to be called home at any time, and probably cannot be here after the 21st inst. Mr. Grant is here waiting at great personal inconvenience, and cannot well remain longer than the first of the week. Do not fail to be here, and telegraph us if you are delayed, and when you can come."

Signed by J. H. McGowan, C. B. Grant, and J. Estabrook.

Q. Did it appear from the report of the committee in June that \$1,100 or more were in the hands of Dr. Douglas? If so, point it out in the report.

A. I was not here, sir, at the time the report was presented. When I arrived that night I asked for a statement covering the matter, and that statement was handed me by Dr. Angell, or some member of the committee. Upon it I introduced the resolution for the suspension of Douglas. I presented the statement just exactly as I received it. I don't know the handwriting. I asked for it in the presence of the Board.

Q. What responsibility did Dr. Douglas have in purchasing materials different from any other of the officers of the University in making any purchases?

A. Other officers did not purchase materials. They had distinct appropriations for that purpose. For instance: in the case of civil engineering, a professor in any department where materials, instruments, or apparatus were required in the department, came in and presented the matter directly to the Board or through a committee,—either he or the committee, as the case might be,—stated the fact to the Board, and the appropriation was usually made, if it could be spared, and was thought desirable to purchase those articles; and when I first came into the Board the appropriation for a specific purpose first made was expended under the direction of that professor. Since that time certain changes have been made, and the money is paid directly through the authorities of the University, and the Secretary of the University, in the absence of any officer of the Board. All purchases made in that respect were different in the case of Dr. Douglas, from that of any of the other professors.

Q. What is the difference?

A. I have stated the plan assumed by Dr. Douglas and by other professors as far as I know anything about it. He purchased on his own responsibility and as he thought best.

Q. Has not the Board of Regents authority to audit and allow the claim for expense incurred?

A. I suppose they have authority to go back on their own by-laws and stultify themselves, if they desire it. I don't know what the law would be on that point. I don't think the Board of Regents have any right—well it is not necessary for me to give my views in relation to that matter. I don't think they ought to do it. I don't think they ought to audit claims except they have been legitimately made.

Q. Are there many expenses that must be incurred before any resolution of the Board can be passed in regard to them?

A. There are certain expenses that must be incurred, and it is expected they will be under the direction of the executive committee.

Q. Have you not incurred expenses before they were allowed by the Board?

A. They never trusted me with any money! If you will call my attention to any particular case, or mention any circumstance, I shall answer it very promptly.

Q. Do you remember any expense?

A. I do not remember any expense which I incurred other than coming here, and that was not allowed by the Board until after the work was done, and not very much then!

PRESTON B. ROSE, SWORN.—FEB. 3, A. M.

By Mr. Kelley:

Q. Do you reside in Ann Arbor?

A. I do, sir.

Q. How long have you resided here?

A. Since 1859.

Q. Have you ever occupied any position in the University?

A. I have.

Q. When did you first become connected with the University?

A. In October, 1859.

Q. In what department were you employed?

A. I was not employed in 1859; I entered the laboratory as a student in 1859.

Q. How long did you continue in that department as a student?

A. Two years.

Q. After your term there as a student, were you in any way connected with the department?

A. I was.

Q. In what year did that connection commence?

A. The fiscal year of 1861-2.

Q. In what capacity were you employed?

A. As assistant in chemistry.

Q. Who employed you?

A. Dr. Douglas.

Q. Did you receive a salary?

A. I did.

Q. How much was your salary per annum?

A. \$250.

Q. How long did you remain in the department at such a salary?

A. One and two-thirds years,—the fiscal year,—the College year. Entered the laboratory as assistant in 1861, and left the first of April, 1863.

Q. When you first entered that department as an assistant, what duties were assigned to you?

A. Giving instruction to classes then in the laboratory, qualitative analysis and quantitative; that was all for the first year.

Q. Did you have anything to do with the keeping of accounts the first year you were there?

A. I did not.

Q. Who had charge of that department?

A. Professor Du Bois.

Q. Do you know what the system was that was used at that time in the labo-

ratory for keeping the accounts? Was it the same as that which has been pursued since you took charge of it?

A. No, sir. If you will hand me the ledger for '61 I can explain it better. I open to an account of Mitchell. The ledger is not paged. The amount of chemicals are charged, giving the debtor column, and I find at the top credit by cash but the cash is not put in.

Q. In what respect did the system used at that time differ from that which has been pursued since you commenced to keep the accounts?

A. At this time, when the student wanted any chemicals, he came with his bottle and had it filled, and it was put immediately on the ledger. He was supposed to make a deposit before entering the laboratory at that time. A deposit was made on a small card, some of which you had here, which were carried around in the professor's pocket. He carried a few of these in his pocket, and when the student wanted to make a deposit, all he had to do was to take one of those out and write the student's name on it, receive the money, and give him the card. At the same time he would take out his diary for that year and enter the student's name in his diary. That was the way the account was made out.

Q. Was that the work of the assistant?

A. No, sir; the deposit was the work of Dr. Douglas. Professor DuBois entered the chemicals in the ledger.

Q. Were the deposits entered in the ledger under that system?

A. I do not find any. Looking through the book after I came there, I never found where the deposits were ever entered.

Q. Did those cards ever come into the assistant's hands?

A. When the student got through work and settled up the accounts, those cards would be taken to the assistant professor, and he would put the amount on the back of them. These are the cards for 1866. He would put the amount on the back and then give it to the student. The student would put it in his pocket, and when he saw Dr. Douglas, would hand him this card and pay him the money.

Q. Was that system pursued any time after you became connected with the department?

A. It was.

Q. And after you had charge of the accounts of the laboratory?

A. The same course was pursued when I took charge of the books in the fall of 1862.

Q. How long was it continued after that?

A. It was continued so until I left there in the spring of 1863, and I think for a number of years afterwards. I cannot say just how many years after that.

Q. You left there in '63?

A. The first of October, 1863.

Q. Where did you go from the laboratory department?

A. I went into the army.

Q. How long did you remain in the army?

A. Two years and a little better.

Q. Have you been connected with the laboratory department since your return from the army?

A. I have.

Q. When did you form such connection?

A. The third day of April, 1866.

Q. Since that time have you been employed in the department?

A. Until I was suspended at the December meeting in 1875.

Q. After your return in 1866, to what duties were you assigned in the laboratory department?

A. I was asked by Dr. Douglas to take Lewis' place in the laboratory, as he was going to leave, and I accepted it, taking the same duties I had when I was there in 1862-3.

Q. What duties did you assume and perform?

A. When I went there in 1866 I took charge of the books, entered each man's account in the book, and at this time I received the money.

Q. Upon what voucher did you receive money?

A. I should issue a few deposits when I went in there in 1866,—the balance of the year 1865-6,—three months for that year, giving the deposits on a card similar to these, and placing the same upon the ledger. When a student got through work he settled his account with me. The amount was put upon one of these cards,—on the back of it,—and I signed my initials. This one is signed by Dr. Prescott. Here is one which is signed by me, the account of A. Knight, \$13.80, with my initials underneath.

Q. What change, if any, has been made in the system of keeping the books and the records of deposit since that time?

A. During those three months, in settling with Dr. Douglas, it was customary to pay over the money to him,—all the money, whether received by deposit or subsequent payments, at each time of settlement, whether the ticket had been returned or not, and I said to the doctor, in settling up our accounts, that I did not like this way of doing business.

Q. You have reference now to the card system?

A. Yes, sir. He wanted to know what change I could suggest to him, and I said that it would be better to have a stub-book so that I would keep a record of the deposits,—know who had deposited them. Under this system we never knew how many deposits were out, never knew how many applications were made for the laboratory. When a man came in and presented his ticket for admission to the laboratory, we never knew whether it was in proper order. We are supposed to admit students in the order in which they would make their deposit, and with the card system you could tell nothing about it; so I said to the Doctor I would prefer to have a book with those tickets printed in there and the stub corresponding, that then as they were given out we would have the stub remaining, and could tell how many deposits there were out, and to whom. He told me to draw up a form, and I did so, and submitted it to him, the face of the ticket bearing the same as it is on the stub corresponding, giving the number, and also a certificate on the back of that ticket to be certified to by the student, instead of by me. I submitted it to him and it met his approval, and he took this blank and went and had some printed. Those two books which you have there are the first that were ever in existence. And at the beginning of the year '66-7 we began using these stub-books.

Q. But no stub-books prior to that time?

A. No, sir.

Q. Are those the certificates?

A. Those are the certificates corresponding.

Q. Since that time has the stub book and certificate been used in the laboratory department?

A. It has.

Q. Have you had charge of the accounts, receiving all moneys that came into the department since 1866?

A. In the beginning of the year '66-7 I find by the stub-book that Dr. Douglas received a few deposits and entered them in his own handwriting, a little later in the month, probably the first of October, when the term really opened. I see it dates September 22d, in which the stub appears in my handwriting,—stub number 26. Since that time I have received the deposits.

Q. Did you also take charge of the accounts of the laboratory?

A. Yes, sir.

Q. Have you made settlements with the students?

A. I have.

Q. What was your mode of settling with Dr. Douglas at that time,—until the time you left the department?

A. When we would have our settlement he would come around,—we had no regular time of settlement that I knew of,—he would come around just as it happened; he would come into the laboratory.

Q. State about how often he usually came.

A. Usually about once a month,—sometimes a little more, sometimes a little less,—on an average once a month; that is, during a greater portion of the year. During the month of October, the fore part of the year, the settlements were more frequent, as there was a great deal of money that came into the laboratory the first part of the year. During the month of October a large number of deposits were made. We would usually have a couple of settlements during the month of October, and from that until the month of June it would average about once every month, I should think. During the month of June there were usually two or more settlements, perhaps running through the month of June and including the first part of July. From the first of June until the end of the year there were usually two or more settlements, so that it would average a little more than one settlement each spring the nine months of the college year. When Dr. Douglas came around to settle with me, the first thing we did would be to pass him out the stub-book. I would hand him the stub-book, and he would open it where the tickets were still remaining in the book, and then turn it back to where he would find the last *D* in the book. He would find the *D*, and then make a cross, usually on the top of the first stub, where he commenced his *D* at that settlement, and then he would make his *D*'s right along until he came to where the tickets were still remaining in the book. He then turned back to where he found this cross and commenced and counted up the deposits, counting them up to the last ticket that was set down on a paper. Then he would pass the stub-book over to me and I would count it up, go over the same ground, count it up to see whether it agreed with his account. Sometimes we would agree and sometimes we would disagree, and then it would be necessary to make a third count, and we would so go over it until we came to the correct amount, and we would agree upon the amount, and set it down on the paper.

The next step in the settlement would be to pass him up the vouchers that I had,—these tickets. I would take the tickets, taking them as I have them here, with the back of the ticket to me, and call off the back of the ticket. The back of the ticket reads as follows: "I hereby certify that I have this day paid the analytical laboratory for chemicals and apparatus the sum of dollars," I would give him this amount. This he would set down on this paper where the deposits are set down; and so we would continue until we got through with all the tickets. Then he would call back from the paper the amounts,

and I would observe the back of the ticket to see that we had got the correct amount on there. When that was done he would then foot the amount. After footing it he would shove the papers over to me and I would foot it to see whether we agreed in our footings and our tickets. If we disagreed we had another count, and so on until we succeeded in arriving at the correct amount. Sometimes at the first we would vary \$50 or \$100 in our two counts; sometimes it would be one way and sometimes the other.

When we arrived at the correct amount we would then take the tickets again, turn them over and, counting up the face of the ticket, would deduct that from the amount of the back of the ticket. Then to this amount was added the deposit money. The deposit money was not added in the account on the back of the ticket; that was simply set down on the top of the paper. After footing the ticket the amount of the deposit money was added to that total. Then from that amount would be deducted all canceled tickets which I held, all bills which I had paid since the previous settlement, and the balance I was paying him, usually in currency. That was the form of settlement. If there were no tickets issued, as usual in the beginning of the year, through the month of October, there would be no tickets to return. In that case it would be simply the amount of deposit money less the amount of bills I had paid to be deducted from that, and the balance I would pay him at that settlement. That was the ordinary course,—the first settlement,—the ordinary course during the year.

At the close of the year our settlement was a little different. In addition to taking the tickets which we had, there would be added to that amount the forfeited amounts and the accounts without a voucher, and then after doing that, if there were any bills paid or any canceled tickets on hand, it would be deducted from that amount, and the balance would be paid him either in currency or otherwise.

Q. Will you explain what you mean by "accounts without a voucher?"

A. By "accounts without a voucher," or which have been termed here as "stubless accounts," I mean accounts which never had a stub or a ticket issued.

Q. How would such accounts occur in the ledger?

A. They would occur in this way: Students entering the laboratory make their deposit, and go on and finish up a course; the student settled up his account and returns his ticket. We become acquainted with the student as a merchant would in a business transaction trusting a man for goods. He wants to go on and do some further work; he has probably not the money to make the deposit, and goes on and does his work, and when he gets through, settles up his account, the money is paid, and it is entered on the ledger, and no other account made up until the final settlement for the year.

Q. And there would be no certificate issued for such account?

A. No certificate issued for such account.

Q. In making this settlement did you ever refer to the ledger accounts?

A. Yes, sir.

Q. Did it ever happen that Dr. Douglas would call off the vouchers and you set down the amount?

A. I don't think such transactions ever occurred, and yet it may be possible: I have no remembrance of any. It was not the usual method at least, and if ever a transaction of that kind did occur it was the exception.

Q. Will you describe where the books and vouchers and stub-books were kept in the laboratory?

A. They were kept in my desk; the ledgers were kept in a sort of a cupboard

underneath the desk; the stub-books and vouchers were in a drawer over this desk, or in the other end of the table corresponding with the cupboard.

Q. Will you describe the vouchers as they were received by you until the settlement?

A. The early part of the time during '66-7, '67-8, I think I carried them in a large pocket-book. At that time there were not so many students, and I am not sure that I carried them but the one year, '66-7. After that they were kept in the desk. There were too many of them to carry around in my pocket. Sometimes I would have quite a quantity of them; so they were kept in the desk in the laboratory where the stub-books were. When those tickets came in I would simply place them in this drawer in the desk, and there they would remain until the time of the settlement.

Q. At or near the close of the year did you have a final settlement for the whole year's transactions?

A. We would have a final settlement at the close of the fiscal year, which would be usually after the last of June, sometimes the first of July.

Q. At that time would you and Dr. Douglas make any examination of the accounts for the year?

A. Not to go through the ledger in detail. At this settlement I would give him the amount of the forfeit money, that is, on the stub-payments on the forfeited accounts; also the amount of those accounts without any vouchers; and at that settlement I would usually write on this paper what each account was; that is, after footing it up, if there were any canceled tickets taken out, I would write opposite that "canceled;" if there were any deposits to be added I would write opposite that "deposits," or "forfeited accounts," or "stubless accounts."

Q. What was done with those bits of paper upon which the figures were made at those several settlements?

A. They were almost invariably left on my desk, except the final settlement,—the last one of the year. That he almost invariably took away with him,—I don't know but always. The others were mostly left on my table; or sometimes I would take them and tear them up, if they were left on my table. They were then usually thrown in the waste basket.

Q. Have you examined the packages of vouchers for '73-4?

A. I have.

Q. Are those the original memoranda made at the settlement for that year?

A. In these the figures are in my handwriting. I may state here that all the wrappers in that year are not in my handwriting.

Q. Is that the original memorandum made at the time of the settlement?

A. No, sir; it is not.

Q. What is it?

A. It became my practice frequently, when these tickets accumulated in my desk, to enumerate them on paper, like this, in packages. I did that for this reason: that when I called them off to Dr. Douglas he would set the figures down so close together, and his figures 5 and 3 and 8 were so near alike that it was hard to distinguish one from the other, and it gave us some little difficulty in footing,—at least did me,—and for that reason, to facilitate our settlement, I would do these tickets up in packages, take the number of the tickets and set them down as they are here, giving the amounts and dates at the bottom, counting up the face, and deducting the face of those tickets, and then would take the wrapper and wrap it around the tickets again and pin it together and put that in the desk. Sometimes I would have sufficient tickets to make up

one package, sometimes two, sometimes three. I would put those in my desk. When Dr. Douglas came around to settle (after those times our settlements were the same as before), I would first hand him the stub-books and we would settle that account, figuring up how much it was, and placing it on paper; and then if I had any loose tickets in my desk after making up these packages,—sometimes tickets would come in after the package was made up,—I may have made up the package say yesterday, or day before, and since that some tickets may have come into my hands, and would remain loose in the drawer. If there any tickets that, when I made up this package, were in the drawer under other papers that I did not happen to get hold of, they would be loose; they would not be in that package. So I would take those tickets and figure them up, as in the ordinary settlement. After having done that, I would then take this package of tickets, and I would take this slip of paper having been enumerated upon, and would call off the amount in that package, the same as before, and he would check the amount on this slip of paper; and then we would turn over and see how much the face was,—in other words, to see whether my work was done correctly or not. If it was, these same tickets were put back again into this wrapper just as they were, and then Dr. Douglas took them away. These wrappers are not the genuine settlements at all; they are merely memoranda made by me when I made up these packages of the amount included in the package.

Q. Can you find in the package any of the genuine memoranda that were made at the time of the settlement?

A. If you will give me the package I will see. Package number 10 is a genuine settlement, I take it. The amounts are footed. The whole amount is footed of the tickets in that package, amounting to \$82.40. Then the amount is taken over here and added to the amount of the deposits, \$345, making \$327.40. Out of that was taken the amount of the face of the tickets, amounting in this package to \$85. Then from that amount is deducted the amount of bills paid at that settlement, in which there is a mistake of ten cents, which was overlooked at that time. It was carried out \$48.09. Out of that is taken \$150. That \$150 I presume was money that I had previously paid him and taken his memorandum for it. The balance of that was \$64.31, which I presume I paid him in cash at that time.

Q. In whose handwriting are the figures?

A. I take it they are in Dr. Douglas'—I should say it was Dr. Douglas' handwriting.

Q. How many of those wrappers do you find in that year's business?

A. Similar to that?

Q. Yes.

A. I have here one marked number 6, which has the appearance of being a genuine settlement. The back of the tickets footed up \$177.80; out of that was taken \$120, which is the face of the ticket, leaving \$57.87; to that amount is added the deposits made since the last settlement, \$240, making \$297.80; from that amount is deducted \$90, which is the amount of the canceled tickets at that date, on hand at that time, leaving 207.80. From that amount is taken \$102.26, leaving \$105.54. That \$102.36 I presume was currency which I paid him. The \$105.54 was not currency.

Q. What was it, if you recollect?

A. I think it was not; it was a check.

Q. At what settlement was that? what month?

A. That was January 30th, '74.

Q. I understood you to say there was one of these wrappers or bits of paper in that package for the year '73-4, that was not in your handwriting nor in the handwriting of Dr. Douglas?

A. Yes, sir.

Q. Will you find it?

A. Wrapper number 8.

Q. Do you know in whose hand-writing the figures upon that wrapper are?

A. I think they are Mr. Bennett's.

Q. Did Mr. Bennett ever assist you and Dr. Douglas in making settlements?

A. He did not.

Q. How does it appear that that wrapper should be in the handwriting of another person than yourself or Dr. Douglas?

A. It is not a genuine settlement paper.

Q. How did it happen to come into the business?

A. I could not tell you, sir.

Q. Did you have any knowledge of it?

A. Only from hearsay.

Q. Now, if I understand you correctly, there are several of those bits of paper at one settlement upon which the enumeration of the tickets should occur.

A. Yes, sir.

Q. Were they usually taken away? Are not the packages that you had made up in your drawer?

A. Yes, sir.

Q. If I understand correctly, there is a communication made by you to some of the committees who have investigated this matter, in which you state these bits of paper were the connecting link, or of some importance in explaining the mystery of your dealings with Dr. Douglas?

A. You mean these bits of paper around these packages?

Q. You refer to some "bits of paper;" I want you to explain what you mean.

A. I do not mean these; I mean the bits of paper in our ordinary settlements. We will take the annual settlement in which these vouchers would occur. The amount of deposits are first put on the paper; then if I had any loose tickets in my drawer that would be set down, the face deducted from that, and then after comparing these tickets in any one of these wrappers and deducting the face of the ticket, the amount would be added to the balance, and this on a separate piece of paper,—not one of these at all,—on another paper entirely, was used for our settlements. The deposits added to that, bills paid deducted, canceled tickets taken out, and then the balance was paid over either in currency or otherwise. That paper was the connecting link to which I refer, and not one of these. In other words, I made a settlement ticket and not a memorandum of simply the tickets included in that package.

Q. Do you know where the vouchers were kept after you had had this settlement with Dr. Douglas?

A. Not that I know of, except what he has sworn to upon the stand,—that he took them away with him from the laboratory.

Q. What other duties did you have to attend to in that department besides keeping books?

A. Giving instruction in the various departments of study, qualitative analy-

sis when I first went in there in 1866,—qualitative analysis, quantitative analysis, toxicology, physiological chemistry, and some little in pharmacy.

Q. About what was the number of students in 1866, and what is the average per annum from that time till 1875 in that department?

A. Including the whole laboratory, it would be mere guess work; it was a large number, however.

Q. Did you have chemicals to attend to?

A. During this time, besides being in the laboratory from one till five, I usually spent my whole time in the laboratory from eight to twelve, and from one to five, and sometimes six.

Q. Who dispensed the chemicals?

A. During that early time I did.

Q. Did you during the whole of the time of your connection with that department? Did you have to make an annual statement to Dr. Douglas of the exact business transactions for the whole year?

A. I did not.

Q. Did he require it of you?

A. No, sir.

Q. Can you state the amount of salary that you have received from time to time as it has been increased a number of times?

A. When I first went in there in April, 1866, Dr. Douglas came to me on the sidewalk right over there opposite the hat store where I was then clerking, and asked me if I would like to go back into the laboratory as an assistant, and said he would pay me \$300 of appropriation allowed by the University, and \$200 out of the laboratory, making \$500 in all. This was some time in the afternoon of the latter part of the week; and I told him I would think of it, and if he would come around the next morning I would let him know. He did so, and I concluded to accept of his offer, and entered on duty the next Monday, I believe. I received this \$500 up to the first of July, '68,—the close of the fiscal year. I then said to Dr. Douglas, "I cannot remain here for \$500, and therefore must give up my place;" and I did so. In a conversation with him at that time he wanted to know what I would remain for; I told him if it could be made \$800 I would remain, or if they would raise it to \$800 I would come back. I left some time in July, and during the vacation; I think in September, I received a communication from the President of the University, Dr. Haven (which I have in my possession), stating that if I would come back they would give me \$800, that he had seen other members of the executive committee and they agreed to give me \$500 from the University, and Dr. Douglas would pay me \$300 out of the laboratory. I answered Dr. Haven's letter and told him I would return by the beginning of the year, which would be the first of October, 1868. I came back some time from the 20th of September to the 1st of October, and entered on duty, and received my \$800 for the fiscal year of '68-9. At the close of that year the Regents made my salary \$1,000, and I received that sum on that until the year '75-6; it was then raised to \$1,250, and I received one or two payments on that, I don't know which.

Q. During the time in which you have been connected with the laboratory department have you been engaged in any other business?

A. Another business—do you mean work?

Q. Yes.

A. No, sir.

Q. Can you point out to the committee anything upon the stub-book that would indicate the point to which you settled for deposit money?

A. Give me some of the stub-books. A later date than those. I find one here on ticket number 201, unless it has been made since that by some party. This is the stub-book for the year 1874-5, Book 11. I find another on stub 239, January 4th, '75, same book.

Q. How is it indicated?

A. It is indicated by a cross on the top of the stub.

R. With ink or pencil?

A. This is made with ink. Sometimes they were made with ink and sometimes pencil.

Q. Do you find that to be the uniform manner of indicating the statement on the stub-books?

A. Not wholly.

Q. What other modes?

A. That was the case when there were many deposits to be accounted for. Dr. Douglas would put his cross on the top of the stub when he began to put his *D*. Later in the year, when there were but few stubs to be accounted for, —3 or 4, or half a dozen,—he would simply hold his hand in the place and write the *D*'s, if there were but 3 or 4, to tell where to go back to count; but usually the cross was made.

Q. Did any other person usually fill out stubs and certificates but yourself?

A. Not usually.

Q. Do you recollect, in any case, of any other person filling out stubs and certificates?

A. Dr. Prescott has in a few instances; Mr. Johnson has in one or two instances. It was done in my absence. I requested them to take charge of the books when I was not there.

Q. While you were present did any other person?

A. No, sir.

Q. Examine that book, book number 2, from stub number 46 to 85, and see if the letters *D* upon those stubs are not made by yourself.

A. There is not one of them made by me.

Q. Do you know who made those letters?

A. Dr. Douglas made them.

Q. Turn to stub 44. Did you not write the name "Douglas" on that stub?

A. I did not, sir.

Q. Do you know who wrote it?

A. Dr. Douglas wrote that.

Q. Did you see him when he wrote it?

A. I did, sir.

Q. Did you ever sign the initial *D* upon the stub-book?

A. Never. That is where Dr. Douglas signs his, the initial *D*.

Q. How did it happen that red lines were drawn across the stubs?

A. To indicate that the account had been settled, and the ticket and money turned over to Dr. Douglas.

Q. Who usually drew those red lines?

A. Usually I drew them.

Q. In his presence?

A. In his presence.

Q. How does it occur that black lines are sometimes drawn and red lines upon the same stub?

A. That is done in this way: a student makes a deposit, and at the time he

makes his deposit the tables are all occupied, and he cannot get a table to work on at that time. It may be three months, perhaps more, before he will get a chance, as usually there were more applications for tables than there were tables; and in the mean time he may get short of money or conclude not to enter the laboratory, and will present his ticket to me and I will pay him back the money, and at that time I will draw a black line across the face of the stub, corresponding to the ticket, and usually write across the face of the ticket corresponding to it, in pencil, "canceled," though that was not always done, even across the ticket. That ticket I put in my pocket-book as so much money. I had the ticket, and the student has the money, at this point. It may be in a few days that he has a remittance from some source, or by some means at least changes his mind, and concludes to go on with his work in the laboratory. He comes back to me to make a deposit, and in the ordinary source of affairs, if I issue him a new ticket he would have to go to the foot of the list as a matter of course; that would throw his chances of getting into the laboratory perhaps three months further off. Now, perhaps, as an accommodation to him I give him back his old ticket, the one he had, and take back his money. He has the ticket now, and the stub remains there with me with that black line across it. The ticket had been signed, of course, by Dr. Douglas before that. When his turn is reached the number of his stub is reached. He is called and enters the laboratory; he goes on and does his work as other students; when he comes to settle up, his account is placed on the back of that ticket, as in the ordinary case; the ticket is now returned to me, and when I settle with Dr. Douglas, I have his ticket; and now the red line will be drawn across that just as any other ticket, and the vouchers passed over to Dr. Douglas, so that it may bear both the black line and the red line.

Perhaps in explaining that it would be well to explain what we mean by "canceled" ticket.

Q. Yes, sir.

A. When a student makes his deposit of \$10, I take his money and ticket and have the stub with the same number and amount on it. If he changes his mind before Dr. Douglas gets around to settle with me, he simply presents me that ticket; I give him up his money, cancel the stub, and clear up the ticket. After he does that, after I have settled with Dr. Douglas, and have turned over the money to Dr. Douglas, and have received his *D* on the stub, if the student returns that ticket and I pay him back the money, I draw a black line across the stub and put the ticket into my pocket, holding it as so much cash. If Dr. Douglas comes around to settle, in our settlement I turn him out this ticket as so much cash. Now, the ticket Dr. Douglas takes and tears up, which makes the second kind of "canceled" ticket. We also have the third, which you may say was the "canceled" ticket and the "return" ticket also,—the one where we have the black line and the red line. If he had returned the ticket after having received it, and before Dr. Douglas comes around to settle, I return him the money and he gives me the ticket back, and I return the ticket to Dr. Douglas. It is backed on the back of the ticket the same as the other tickets; now I draw the red line as usual to indicate that Dr. Douglas has the ticket.

Q. Then, in your business transactions with Dr. Douglas, what would the red line indicate?

A. That he had the ticket and the money.

Q. Was there any reference to the ledger account connected with the red line in any way?

A. A man may have two or more ledger accounts, and those accounts are all placed on one ticket. The red line covers all that the back of that ticket contained. When a man commences working, after making his deposit, when he enters the laboratory,—he may not enter the laboratory for months after he makes his deposit,—when he does enter, the amount of his deposit will be entered on the ledger where he first commences to work. He will finish up that course, take another table in another department, and go on and finish that, take a third and finish that, and sometimes a fourth; so that he may have four accounts on the ledger, and when he comes to settle up they will all be placed on the back of that one ticket.

Q. Then I understand that four accounts are settled upon one voucher or certificate?

A. Yes, sir; and the red line would account for the whole of them.

Q. Would there be anything indicating that fact upon the back of the voucher when he surrenders it?

A. Yes, sir.

Q. What would it be?

A. The amount of the money on the back of the ticket.

Q. How could you refer to the different packages on the ledger?

A. By taking the index and seeing the number of accounts, and footing up those accounts, you will find it agreed with the amount on the back of the ticket.

Q. Did Dr. Douglas make any complaints to you in reference to any shortage of laboratory funds, prior to the discovery of this deficiency?

A. Not that I am aware of.

Q. About what time were you first made acquainted with the facts that there was some deficiency in the laboratory department?

A. Dr. Douglas came to me on the afternoon of October 18th. Shall I give you the transaction as it occurred?

Q. Yes.

A. I may give you the transaction as it occurred from the morning of October 18th.

Q. Between yourself and Dr. Douglas.

A. In the forenoon of October 18th Dr. Douglas and I settled up some accounts that had been paid since a previous settlement,—some tickets which I had on hand. The number of tickets I do not remember. I think I can refer to them if you will give me that book.

Q. Is this the original book?

A. No, sir.

Q. Have you the original book?

A. I have the original here; I beg your pardon. The morning of October 18th we settled up for eleven tickets. I passed him over the eleven tickets and paid him the money. I think I paid him in currency at the time. He took the tickets and went away. In the afternoon he came to me with a list of four names,—that of Little, Pantlind, Hubbard, and Thomas, on a slip of paper,—and asked me if they had settled their accounts. I was at the time sitting by the desk, or near it. The ledgers, as usual, were lying in the desk. I took the ledger and turned to their names individually, and said to him that they had, and also showed him in the ledger that they had settled their accounts. Well, he said, he had not the tickets, or at least he could not find them. I then took the stub-book for the same years and turned to that, and showed him that

Little had a stub, and that the stub was red-lined, and said to him that he must have the tickets somewhere. I said to him at the same time that the other three,—Pantlind, Thomas, and Hubbard,—had not tickets and never had, and I asked him at the time if he would not look; that he could find the ticket somewhere. It had been turned over to him. He said he had looked and could not find it. I said to him then that I had a memorandum book which I had endeavored to keep during the year of the tickets turned over to him from time to time, but that I was not sure even that that was correct,—that it had not all the names; and he asked me where that book was,—that he would like to see it.

(I will say, by the way, that this which is the original was no official record of the laboratory accounts. It was not a book that I was required to keep; it was simply a private memorandum.) He asked me to see it, and I told him the book was at my house,—not there at the laboratory; but I told him I would bring it up next morning, and he said very well; he would like to see it.

He left my desk at that time and went to Prescott, to his table, which was immediately across the room from me, and had some conversation with him; what it was I do not know; and then ordered the janitor there to take the books to his house. I do not know whether he took the stub-book or not; he took the ledger I am sure. The next morning when I went to the laboratory I took this book with me to the laboratory, and after my recitation Dr. Douglas came around and asked me if the name of Little was upon that book. I might say, first, when he came around he was considerably excited, and I had a memorandum for the year '75-6 which was a different book from this, and he got hold of that, appeared somewhat nervous over it, and I told him that was not the one; this was the book. So he took it and looked it through, and asked me if the name Little was upon it. I told him it was not, and I asked if he had found the ticket; he said he had not. We had some further conversation upon it.

Q. Give that conversation, if you recollect it?

A. I told him at that time, that as the stub showed the ticket of Little had been turned over to him, that he had received the money on it. I said to him also, that the three accounts of Pantlind, Thomas, and Hubbard were settled for at our annual settlement. The day of that annual settlement I do not remember,—had not looked it up,—but said to him they had been settled at that time. He then said no; he had not received the money; he had not had the ticket or the money. I think those were the words he used. I assured him that he had, and I saw from appearances that we were likely to get into a quarrel, and rather than to do that I gave him a memorandum of the amount, which has been offered here as an "Exhibit," giving the names and the amount. This was on Tuesday, I believe,—the 19th of October. He took that and took this book with him. He said at the time, "I will take this down and compare it with the vouchers at my house, and see whether it is correct." I say, "he took it;" he did not ask me that he might take it: he took it although it was my private property; took it without leave or license; and the next morning he returned with this book and the one that you have in your hand, a book similar, and after my recitation he asked me if I would not copy the names into his book just as they were in mine. I asked him if I should leave the spaces in there the same as in this and he said yes. I had once commenced copying the names, but had not copied but a few until he returned, and picking up my book, said he would call off the names and I could write them down, and we would get them done faster, as he was in something

of a hurry. We did so until we got to the end of it. When we got to the end of the book he said, "Now we will add the four names, Little, Pantlind, Thomas, and Hubbard, and then we will exchange receipts on this book; and hereafter when we turn over any vouchers we will exchange receipts on the book."

That I thought was a good plan; so, after he had added these four names, I wrote the certificate which is there in this book, and also the receipt in my book. I wrote this receipt, written from his dictation, and as he dictated it, word for word. "Ann Arbor, October 20th, 1875. Received of P. B. Rose University vouchers of receipts as per above list and dates specified, excepting those of Little, Pantlind, Thomas, and Hubbard, and also the money covering said vouchers. The above cover all the receipts to June 30th, 1875." That was the receipt as first written. After that this was interlined after the word Hubbard, "which have been lost or misplaced." This receipt was written first, and I signed this receipt. I then took that book which you have,—Dr. Douglas' book,—and wrote a certificate in that as Dr. Douglas dictated, and I signed that, which is I think pretty much the same as this receipt is; it has been read by Dr. Douglas. After we had exchanged receipts he took this book and left mine with me, he took his book and went in the direction of President Angell's room. This was October 20th. Before leaving, however, I told him that it would be better to bring up the tickets which we had turned over on Monday,—the 11 tickets which I spoke of before. He would bring those up in the afternoon and we would exchange receipts for those also. He said he would do so, and in the afternoon he brought those up and I entered them in my book, and also in his book. After entering them he signed the following, "Ann Arbor, October 20th, 1875, received cash in full on the above vouchers, S. H. Douglas, Director. And they are added also in that book, and a certificate to the list there. This transaction occurred in Dr. Douglas' room.

After I had gone back to my desk, looking it over I discovered that in the amount of money the footings did not agree with our transactions of two days previous. I immediately went back to Dr. Douglas and said to him, "Doctor, there is a mistake here in some place, there is one thicket left out, we had better go over the list,—look over the tickets." He said "No; that is all the tickets that passed between us,—all the certificates." I said, "No; the amount of money does not correspond with our settlement at that time;" and I asked him to take a look when he went home, and see if he would not find those vouchers. I saw him, I think, the next day or the next but one, and asked him if he had found it. He said "No; that those were all he had." I asked him the second time at a later date,—I don't remember the date,—if he had found it. He said no, he had not; and at the meeting of the Board of Regents, which was in December,—at the time at which I was suspended,—he said then that he had not found it; but in an examination of his report for '74-5 I find that he has returned the ticket, and therefore must have had it. This transaction was on the 20th. This was on Wednesday.

On Friday he came up to the laboratory with a list of three or four names,—I don't remember just how many; came to my desk and asked me if I would not look at their accounts. I took the list, turned to their accounts and examined them, and when he came again, which was probably an hour or more, I told him that they were the same class of accounts as Pantlind, Thomas, and Hubbard; that is, accounts without stubs and vouchers. He said nothing more, but took his memorandum of names, the slip of paper which he left with

me, and went away. I don't know whether I entered the amount of each one's account opposite their names or not. Perhaps I did, and perhaps I did not. I don't remember as to that. This was on Friday.

On Monday he returned with another list of three or four names. At this time he simply left them on my desk as he was passing there. I was posting some accounts. He left them on the ledger in front of me,—dropped them on to the ledger and went away without saying anything: went into his room. I picked up the list, looked at it, turned to their accounts in the ledger to see that I was not mistaken in their accounts, to see that they were settled, and the accounts closed, and immediately went to his room and said to him, "Doctor, does this book on which you have exchanged receipts contain all the tickets which you have?" He said "Yes; it did." Then says I, "Doctor, it is easier to make a list with accounts not represented on that book,—all the accounts." I told him how I would do it;—that I would take the ledger, draw off each man's account on a paper, and then on this book check off what is represented on a list, and of course what remained would be what is not represented here; and if he wished it I would make him such a list. He replied "Very well: do so." This was on Monday, I think,—it possibly might have been Tuesday, but I think it was Monday. I immediately went to work,—all the leisure time I had away from my other duties in the laboratory,—to draw off each man's account in the ledger, checked off on this book, and then make out a list of the balance, and gave it to Dr. Douglas, which I think was on Saturday of the same week, or on Monday of the following week. I know it took me two weeks to do it. He took the list and went away and said nothing.

On Tuesday, I believe,—at least it was November 2d,—he asked me into his room, and said we had better settle up our accounts; look them over and settle them up. I took the stub-book for the year '75-6 with me. I supposed he had reference to that, that had not been settled. The deposits for the year '75-6 had not been settled up to this date, which was an unusual thing. They were usually settled the first of October,—not long after the first, a few days, from a week to ten days,—we would settle for the deposits during the month of October, and I was only surprised that he had not been around to settle the accounts. He had been around, however, and got money of me in the meantime,—called upon me and wanted to know if I had any money, and I said yes, and paid him at one time, I remember, \$500, taking simply his due-bill, good for so much money, with his name signed to it,—at another time I think \$250, and at another time another sum; but we had not looked over the deposits and stubs to see how many there were. So he said we had better settle our accounts. On November 2d this occurred, and I took the stub-book and went into his room, and looked over the deposits and figured them up to see how they were; and then he took this list which I gave him of these names which occur here from *A* to *B* in that book. I had that list, figured out the interest from the time they were paid up to that time, figured out the interest on each amount. He had also included the names of Little, Pantlind, Hubbard, and Thomas, and figured interest on those also. He had it all footed up, which he added then to the amount of the deposit money,—I don't remember the amount; and demanded the money on them. I said to him: "Doctor, in that list are several names which have stubs, and the stubs have red lines; you have had both the ticket and the money, and the other accounts included in them; you had the money on all with the exception of one account." There were one or two accounts in that list,—no, I am mistaken,

part of one account only I had included in that list, which was paid after that, after our annual settlement. I said to him, "Doctor, those stubs are red-lined; you have had the ticket and the money on those, for their accounts were settled for at our annual statement;" which was the last of June or the first of July. I had not looked it up, and do not know the date. I said, "You have the money on them." "No," said he, "I have not;" and we disputed back and forth in that way for some little time. I finally said to him, "If you say you have not that money, I know of no other way than to pay it again, unless I convince you that it had been paid some little time." I gave him my due-bill for the amount in regular form,—not one of those "I. O. U.,"—but a due-bill in proper form. This was on Tuesday.

I told him I would have to mortgage my home in order to raise the money.

On Thursday following he came into the laboratory, and called me to one side, and asked if I had made any arrangements to raise the money. I told him I had not, but was intending to do so that day, or as soon as I could get around to it; and he wanted to know of whom I intended to get the money, and I told him that as Mr. Beal held a mortgage upon my place I would prefer to get it of him if I could, if he would take a second mortgage. I did not like to give a second mortgage to any one else,—did not know that any one else would want to take a second mortgage. He asked me how much the mortgage was on my place. I told him. Well, he said he would let me have the money and take the mortgage himself. I told him no, I preferred to let Mr. Beal have the mortgage, as he had the first one. "Well," he said, "if you want to go down and see Mr. Beal I will drive you down." He was there with his carriage at the laboratory. I said, "Very well; I would as soon go then as any time." So we got into the carriage and drove down. On the way down he said to me: "Now, we must keep this thing quiet; if it gets out it will ruin both of us; and if you or any of your friends have any influence with Mr. Beal you want to keep it quiet, or it will be worse for you." I said I had no influence particularly with Mr. Beal. He drove me down to Beal's office. I got out, and he went on towards the depot. I went in saw Mr. Beal, and asked him if I could borrow \$1,300 of him, and give him a mortgage on my place. He said he guessed so: he would let me know the next day. The next day I went down to him, and he said yes, I could have the money. I had once asked Sutherland to make out a mortgage to Mr. Beal for the amount, and he did so; and Mr. Sutherland also took the acknowledgment of the mortgage. When he took the acknowledgment I said to Mr. Sutherland: "Dr. Douglas is skinning me." Says he, "How is that?" I says: "He has taken \$600 or \$800 out of me of money that I have paid him." He asked me why he did so. Well, I told him I would either have to do that or it would raise a row with the authorities, and the amount would be I would lose my place.

However, the mortgage was filled out and I took it down to Beal on Saturday morning, and he told me to come in that afternoon and he would have the money ready for me. In the afternoon I went to his office about two o'clock, and gave him the mortgage, and he gave me a check on the savings bank of Ann Arbor for the amount. I drew the money on the check and went directly to the laboratory where I found Dr. Douglas, and told him I had the money here to pay him. He then said to me, "Doctor, there are several names in that list where I signed the receipts, but I have not had the vouchers or the money." Says I, "What names?" And he referred me to the names of Grimwood, James, Williams, and one or two others which I do not remember

now. I asked him if the stubs were not red-lined, and he said they were; I asked him if he had not already receipted for them in the book, and he said he had; says he, "I have not had the money." I told him he certainly had the the money and he had receipted for that,—not only with the red lines, but he had receipted for that in the book. I told him this was not fair by any means; and we disputed over it for some time,—for a few moments; but finally I allowed him to put that in with the others, and paid him the money for the whole. I was satisfied then, and I have been satisfied ever since, that he had the tickets and the money previously. One of those names, that of H. F. Thomas, amounted to \$46.40. He returned the ticket at his annual statement for that year, and the ticket, I presume, is now on file here with this committee.

Q. What year was it?

A. '74-5. It was with the Steward of the University last January, for I saw it; and it is also in Dr. Douglas' annual settlement for that year.

Q. Go on with your statement until you [we?] find it.

A. I say I allowed him to add to the amount this account, under protest, and paid him the money and went away. After that, whenever I turned over any indebtedness, it was entered on this book and receipted. This was on Saturday, November 6th. Nothing else transpired in regard to the matter until next Wednesday; nothing was said between Dr. Douglas and me.

On the next Wednesday, while I was at the laboratory, I received a notice by the Janitor of the library building, I think it was, who came to the laboratory and told me that Mr. Bennett wished to see me at his office. I immediately went to Bennett's office, and when I arrived there he told me that the Regents (and I am not sure whether he said the executive committee or some of the Regents) were in the President's room and wished to see me. I immediately went into the President's room, where I found Regent McGowan and Regent Walker. After passing the time of day,—“Good morning,” or something to that effect,—Regent McGowan said they had sent for me to come over there, as they wished to talk over the laboratory accounts,—as they had been informed there was a deficiency or discrepancy in the laboratory accounts of about \$800 a year, extending over about three years. I replied to his statement that that could not be possible that there was any such deficiency or discrepancy. Well, he said, they knew nothing about it; they had not examined the books; but that was what had been reported to them; said they had not been over the books themselves; and they further stated that it was the duty of the executive committee to secure the University against any loss. He wanted to know how I could secure the University against any loss on my part. I stated to them that I had no property except my house and lot,—not what could be called property, at least. I think there was something said about life insurance policies. I think they inquired something about those,—whether I had any. I told them I had, but they were not paid-up policies; that the only property I had was my house and lot. Either Regent McGowan or Regent Walker, I am not sure which, wanted to know if that was free from incumbrance. I told them that it was not; that there were two mortgages upon it,—one of \$700, and one of \$1,300, making \$2,000. They wanted to know who held the mortgages, and I told them.

Then I think it was Regent McGowan wanted to know if I had any plan to suggest. I told him I was not aware that I had any; and he asked if I would receive one from him then. I told him I was willing to hear any suggestion, and

he then suggested that I should deed over my house and lot in trust to the treasurer of the University,—that is, the acting treasurer of the University,—Mr. Knight, and that they would give me a written contract back, stating that as soon as the account could be examined and audited they would deed it back. I at that time suggested to them that it had better be deeded to Bennett,—that I was better acquainted with Bennett than Knight. They said no; that Mr. Bennett did not handle a great deal of money and might give rise to some talk; but Knight being a moneyed man, no one would think anything of it; or something to that effect; and I consented to the arrangement. Mr. Walker then inquired of me in regard to the description of my house and lot. I told him that my deed, which was over to my house, would give him a better description of it than I could give, and I would go over and get it. I did so, and I went over to my house and got the deed, and returned and gave it to Mr. Walker, and he immediately went to work and filled out a blank deed. After he had done so, either McGowan or Walker, I am not sure which, asked me this question: who I thought of getting to take the acknowledgment; and I told them Sutherland, who is a neighbor living right next door, a man with whom I was well acquainted. I think Walker suggested I had better get Judge Cooley. I said no: I was not very well acquainted with Judge Cooley; I preferred to have Sutherland. He had always done such business for me. Then McGowan said it would be like this: "Can you have Sutherland take the acknowledgment without telling him what it is?" He said it would be better not to tell him all the facts, or supposed facts. I replied to him I guessed so. This was 12 o'clock. So we agreed to meet there again at 2 o'clock in the afternoon. In the mean time I was to have the deed acknowledged. I took the deed home with me, saw Mr. Sutherland when he came in at noon, about dinner, and had him take the acknowledgment.

I returned about 2 o'clock with the deed which had been acknowledged, and I am not sure but I think that I arrived there a little earlier than either Walker or McGowan. I think they were a little late. When they came in I handed them the deed all acknowledged. Mr. Walker took it and looked at it and then handed me a contract back which had been agreed upon. I put that in my pocket, and then Mr. McGowan (Walker was sitting at the President's desk; I was standing in front and McGowan was standing at the north end of the President's desk, leaning against another table)—McGowan said to me: "Now, Rose, tell us who has got that money." Says I, "I don't know who has got it: I have no knowledge of who has got it." He then asked me where I kept the money as took it from the laboratory. I told him I kept it my pocket-book; and if Dr. Douglas came around any time I would pay it over to him; if not, I would put it in the bank if I happened to be down town during banking hours. He wanted to know if I kept the laboratory money separate from my own. I told him no: I never carried but—no: the question was, "Do you have two pocket-books?" I think that was his question. I told him no: I carried but one pocket-book,—meaning by that that I kept but one account.

There was then a little lull in the conversation, and I asked him if there was anything further; and Mr. McGowan said if I would step out in Mr. Bennett's room he would like to see Mr. Walker alone. I went out into Bennett's room and had a little conversation with Bennett at his desk. Pretty soon Bennett [McGowan?] came out and said that was all; nothing more. We then entered into a conversation at Bennett's desk in regard as to how these accounts should be looked over, and it was understood, by me at least—

Q. Who was present at that time?

A. Mr. McGowan, Mr. Bennett, and myself; and Mr. Walker was at that time in the President's room; and I said it was talked some that we should commence and go over this account and see if there was anything wrong. Bennett and I should go over it. Bennett said he would have to do it in the evening, but he could not do it that evening, but he would be ready the next evening. I said any time would answer my purpose,—the sooner the better; and I left and went to the laboratory, leaving McGowan there in Bennett's office and Walker in the President's room. After I had been at the laboratory a short time, Walker, McGowan, and President Angell came into the laboratory, passed through my room where I was, and on into Dr. Douglas' room. I saw nothing of them until some time later in the day,—I don't know just what time. I saw them crossing the grounds. This was on Wednesday.

On Thursday, as I was going home from the laboratory, I stopped in at Bennett's office to see whether he was ready to work on the accounts that evening. I called at the desk; Dr. Douglas was sitting at the table with him; what they were doing I did not know. I said to Bennett, "Shall I come over this evening?" He turned to Dr. Douglas and asked him, "Shall Rose come over this evening?" Dr. Douglas turned around, looked over his shoulder in this manner, and said "If we want you we will send for you. You will be at home, will you, during the evening?" "Yes," says I; "I shall be at home." So I passed out and went home and remained home that evening, but I received no invitation to come over.

On Saturday morning of the same week I was posting the accounts in the laboratory, when Dr. Douglas came around to my desk and said, "Are you busy this morning?" "No," says I; "not particularly." Says he, "I guess we had better go over to Bennett's office and look over our accounts." "Very well," I says; "I shall be over there as soon as I finish posting this account,—as soon as I get through." I footed over my books and went over, and when I got there I found Dr. Douglas in the President's room with the ledger, stub-books and vouchers for '73-4. This was somewhere near 10 o'clock.

He had in addition to these a list of names and amounts of which he said there was no account. We would take the name of the first one on the list, turn to the ledger to see that they had such an account, and then would refer to the stub-book to see whether there was a deposit; also to the tickets put up in wrappers to see whether the ticket was there. If the ticket was found the amount was crossed off on the list that he had furnished; if it was not it was allowed to stand. We went on in this way until we had finished the list, and it was between 12 and 1 o'clock,—somewhere near 1 o'clock, I think, we had finished the list. Dr. Douglas said to me, "Now, you draw off all the names in that list." I did so, and about the time that I had completed the list, got through with it, President Angell came in. Dr. Douglas turned to President Angell and says: "Rose had better sign this list now to show that we have looked over it;" and President Angell says, "Yes; he had better append a certificate to it to show that we have examined the accounts." I replied that I did not wish to append any certificate to that list until I was sure the list was correct. "Well," says President Angell, "You have been [go?] over the list, and if you find any corrections [to make?] at any time, you can make them at any time. By signing this you will show that you have looked over that year, and you can make any corrections at any time." This assurance from the President being received, I appended a certificate which you have had in the files, and which has been read.

Q. Has the list been in evidence?

A. You have a list.

Q. Proceed; we will find it after a while.

A. Before signing it I told them I wished to examine the account further, and President Angell assured me I could, after examining it at any time, make any corrections, and I signed the certificate.

This, I say, was on Saturday, and nothing more transpired that day; but on Monday evening of the following week Dr. Douglas asked me to go over another year, and we did so. I think probably that year was '72-3; and on the Wednesday following we went over another year, and at intervals then of a few days we went over each year back of '68-9. After we got through I drew off all that were not erased from the paper on to a separate paper by themselves, at Dr. Douglas' request; appended no certificate, however. I think after that either Mr. Bennett or Dr. Douglas himself drew off a list. Dr. Douglas drew off one list, or a part of it at least, but I did not wait to see him finish it; but I saw him commence it.

About this time there was an article appeared in the Detroit papers in regard to the matter, about the time we got through examining those lists. I don't remember the date of it, but I think it was in the papers somewhere about the fore part of December,—I think along about the 4th or 6th of December,—charging me as a defaulter. This article in the paper had Dr. Douglas' sanction, as I understood it. The paper also stated that a committee had been appointed to examine the accounts of the laboratory, giving the names of that committee. One paper, I think, had it in in this order: "President Angell, Dr. Douglas, and Secretary Bennett." I think the other paper had it "Dr. Douglas, President Angell, Secretary Bennett, and Treasurer Knight." I saw this in the paper on Friday.

The next morning,—I think it was Saturday morning,—I went to Bennett's office and asked him if that was true, that these gentlemen were a committee to examine the laboratory accounts. He said it was. That was the first I was aware that there was any committee appointed, or that I had any dealings with the committee. From that time on I ceased to have anything to do with any of them, and so stated in a communication which I gave President Angell. I will [said?] say "any dealings." There was a little transaction which occurred between President Angell and myself. I think this transaction was either on Saturday after this occurred in the paper, or the fore part of the week following; I guess it was Monday following the publication in the Detroit paper. On Friday I was looking over that list of '73-4,—had spent pretty much of the whole forenoon on it. When President Angell came in I was at the desk in Bennett's office; and President Angell came in and I said to him, "I want to make some corrections on this paper." He says, "What paper is it?" I said, "This paper for '73-4, for which I signed the certificate." He said, "No, you must not make any corrections on that paper." Says I, "Dr., didn't you promise me when I signed that certificate that I might make any corrections on it at any time?" He said he did not remember that he had made any such promise. I called his attention to it that he had, and that I signed that certificate with that understanding, and that now I wanted to make the corrections. But he said, "No, you must not make any corrections on that paper; you may make them on a separate paper, and I will file them away with this paper." I says there is no necessity for that. By the way, I would like to see that paper now.

[Paper is produced and handed to witness.]

I stated to President Angell that I wanted to make the corrections. He said I could do it on a separate piece of paper, but must not do it on this. After calling his attention to our agreement, I said: "Why make it on a separate piece of paper when there was plenty of paper on this? being a half-sheet of legal cap, on which there is nothing. I can put it right on to this, and then you cannot get it lost." He said that he wanted this list to go to the committee just as it was,—or to the Regents: I am not sure but he used that term instead of "committee." I said, "Do you want to send an imperfect list to the 'committee,' or 'Regents,'"—whichever term was used. He said he wanted the original papers to go to them just as they were. I said, "If you want the original paper to go to them, you can have it. I have the original paper in my pocket, and you can have it, and I will take this;" and I did so. I took the original out of my pocket and threw it down on the table, and took this and put it my pocket,—not "under my coat," as President Angell said, but I put it in my pocket with the full intention of taking it away, as he said he wanted the original. President Angell testified that I was a little excited. I acknowledge it. I was excited, and he was too. We were both a little angry. I was, I know, and I think he was, from his actions. I thought he did not live up to his promise, which he did not. After putting this into my pocket, Mr. Bennett, who was standing right by us at the time, almost between us, kind o' undertook to smooth the thing over, to pacify us. He said, "Rose, I guess you hadn't better do that." Well, I finally consented if he would allow me to call attention to a supplement statement on this document, so that in case the supplemental statement ever got lost there would be something to call attention to it. Finally President Angell consented to it, and I wrote: "See supplemental statement of this date. December 2, 1875. P. B. Rose."

Q. Where is the supplemental statement?

A. I will give it to you as we go along from the testimony. They have never had it.

Q. Proceed.

A. That was, I think, the last transaction we had. No: we had one other. President Angell called me into his room one day after that, I think,—probably it was in Bennett's room,—and said: "Now, Rose, what about those missing stubs?" I had heard a good deal about them in the papers by this time. I said, "Doctor, I am not aware that there are any missing stubs." "Well," says he, "if I show you a ticket and you can't show me a corresponding stub, then you will have to give in;" and I says, "Yes, and on the contrary if I show you a stub, then *you* will have to give in." Those were the words used. I supposed, of course, what he meant by "missing stubs" were stubs that once existed, and had been torn out, or something of that kind. I did not suppose he had reference to accounts that never had had stubs. I supposed he meant by "missing" something that once had an existence. A little further in the conversation,—I don't know but he passed into his room and came back again,—I think he did, and then he said, "What I mean by 'missing stubs' is that there are accounts there which I find had no stub,—no voucher." I said, "Yes; there are such accounts; but that was not what I understood by 'missing stubs;'" when he said, "What about those?" Says I, "If I can't show to you or to the committee that I have paid those amounts I shall pay them over again. If I can't satisfy you that I have paid those, of course I shall have to pay them again."

Now, in regard to what you might call a supplemental statement for '73-4. I don't know whether it had better come in now or not.

Q. Is that the supplemental statement for '73-4?

A. I never prepared what you might call a proper supplemental statement. I got disgusted with the whole thing at that point and left. This will explain the whole transaction for '73-4.

Q. When was that made?

A. This was made since the examination commenced. I simply called attention to it so that if it ever came in controversy I might say that those accounts were not correct.

By Mr. Hinchman:

Q. Had you a statement there at that time?

A. No, sir, I had not.

By Mr. Kelley:

Q. Is that statement which you hold in your hand, what you desire to present as a supplemental statement?

A. Not properly a supplemental statement. It is a statement giving the whole transaction, which will explain that year's work.

Q. You can now refer to that statement as you see fit in giving your version of that transaction. Go on and conclude your history of this transaction, making such reference to that as you desire.

A. This has no reference to that transaction. This has reference to the entire year's work.

Q. Proceed with your explanation of that.

A. For that year's work we have 12 packages of tickets.

Q. Do you desire the packages?

A. Yes, sir.

By Mr. Hinchman:

Q. Let me inquire whether this is original or whether it has been corrected from time to time.

A. This has been made from the book.

Q. An original statement?

A. This was not in existence at the time that reference to the supplemental statement was made. This has been made up from the evidence which I have in my possession since that date, of the whole transaction for that year, showing just what tickets were turned over, and at what dates they were turned over, and what accounts were paid.

Q. Have you a similar statement for each year?

A. I have not.

Q. Proceed.

A. I will state that these packages are numbered, not in the order in which they were turned over to Dr. Douglas, but in the order in which they occur. The numbers on these wrappers were put there by Mr. Bennett. After I was suspended in December, the Board of Regents granted me the privilege of making copies of all books and papers pertaining to the laboratory accounts, or any books and papers that I might wish to make,—I guess it was in that form,—I guess it was not limited; and accordingly, with Mr. Bennett's assistance, I made a copy, of this year, of '73-4 tickets, and also of the wrappers complete, and that is the way these numbers came to be put on them. As

we copied a package of tickets, we took them as they occurred in the pile,—number, 1, etc. So these numbers do not refer to the settlements.

If I were to take package number 8 and examine the tickets in that package I would find that the tickets run in dates from June 24 to September 15,—June 24, 1873, to September 15, 1873,—and they were passed into Dr. Douglas' hands at our first settlement in October, which was the 6th day of October. Now, wrapper number 8 is not a genuine settlement, for the reason that there are no deposits added to it. The face of the tickets are not deducted from it, and no bills taken out, or anything of the kind; so we will say that it is not a genuine settlement. It simply accounts for what tickets are in that wrapper, and no more. Now I take package number 10. That package is a genuine settlement. It is in Dr. Douglas' handwriting. It has the backs of the tickets, the face taken off, the deposits added, and canceled tickets taken out, bills taken out, and the balance paid. This settlement was made December 16, and is a genuine settlement. I take package number 6. This is also a genuine settlement, made in Dr. Douglas' handwriting in part and part in mine. It has the footings of the tickets, the face taken out, the deposits added, canceled tickets deducted, and amount paid. I take it to be paid in currency, leaving a balance of \$105.54, which was paid Dr. Douglas that day, January 30, 1870, by check. I pick up package number 2, and I find a wrapper around it in my handwriting, the amount footed up, and simply the face of the ticket taken out. This is not a genuine settlement. It is simply a memorandum of the tickets in that package,—nothing more, nothing less. It is not the whole settlement for that day,—I mean for that time; but package number 7 was also included in that same settlement.

Package number 2, amounting to \$51.25 after taking off the face, and running from January 22 to February 27,—package number 7 was included in the same settlement, the dates of that running from January 15 to March 17, running over the same dates that package number 2 does and including the same dates. A further evidence that these two packages are both included in the same settlement is that the amount of package 2 is also placed on package 7 (\$51.25), and is footed in, making \$340.55 in all. I say the two are both included in one settlement; so the settlement was not a complete and genuine settlement, for there were other tickets turned over at the same date,—two tickets that are not enumerated on either of those packages; and that occurred in this way,—that these tickets when those packages were made up either came in afterwards or they were loose in the drawer, and tickets sometimes were kept. They might have been slipped under the deposit books or under other papers that might have been there, and omitted at the times the wrappers were made up. Then there are no canceled tickets taken out in that settlement on either of these papers. There are no bills taken out. There were bills paid at that time, and there were canceled tickets turned over at that time; and that there were deposits added at that time is certain, and those deposits amounted to \$215. More than that, the settlement as indicated by the deposit \$215, as will be shown by the stub-book, which runs from cross to cross on top of stub 196, book number 10. I find there is also written March 30. That was not there when this stub-book was copied.

Q. Who copied the stub-book?

A. I copied it first, and then it was checked over afterwards by another person; but in the place of the March 30, March 18 was on the top of that ticket.

Q. Is that written in ink or pencil?

A. Pencil.

Q. Do you know the handwriting?

A. Yes, sir.

Q. Whose is it?

A. Dr. Douglas'.

Q. Go on.

A. Counting the amount of deposits from that stub, 196, to March 18, it will correspond with the amount of deposit money which is entered on this wrapper number 7, and not of March 30. So we say these two packages are both included in the same settlement, which will account for the deposit money, and also for the cross on ticket 196 to March 18, which was there, and also the amount of number 2 is added in the package. Those points will give you the evidence that those are included in one. The evidence that there is a third memorandum of settlement (understand these are not memoranda of settlements, but simply memoranda of tickets in that package)—the evidence that there was a third ticket or memorandum of settlement is: first, there were two tickets existing at this time which are not included in either 2 or 7. There is \$50, in all probability, or more of canceled tickets not credited to me upon either 2 or 7; and third, there were bills paid by me and which were turned over to Dr. Douglas at this settlement, for which I received credit, and they do not appear on either 2 or 7.

Now with reference to those bills—

Q. Can you refer to any of those bills?

A. Yes, sir. Berry & Co., Detroit, paper box manufacturers; a bill amounting to \$50.33. Whether there were more than that—the Regents cut me off last June from examining any books and papers further, and I did not get it quite complete. I do not know but there may be more bills than that. So that that settlement will account for two of the tickets which were represented on that list at that date.

Now we come to wrapper number 9. I find that also in my handwriting, and the tickets included in that package run from December 15, '73, to April 2, '74. Now this ticket is not a genuine settlement ticket, and the proof is: First. There are deposits of \$100 to be added which does not appear on the memorandum; Second. There are bills paid to be deducted which are not represented upon that. Therefore there was a second ticket, a regular settlement ticket, which does not appear here. There are no tickets missing during this settlement. That settlement occurred on April 2, and it ran from the last settlement in March 18 to April 2,—to the cross on ticket number 270. It has also over the top of it 13 J, included in parenthesis.

I next come to the next package, number 5. If I open that package I observe the dates of the tickets in it, and I find them running from April 16 to May 15, amounting to \$361.90, with the face deducted, \$270, leaving \$91.90. There are no deposits added, no canceled tickets deducted, no bills paid, nor anything of the kind; and it is not a genuine settlement. The proof of that is that there were deposits in April and May which are not on this wrapper.

I will take package number 3 and examine the dates on those tickets. I find them running from April 8, to June 13, covering the same dates as you see in wrapper number 5, or on tickets number 5. I find it foots up \$573.45, with \$215 taken out, the face of the ticket, leaving \$358.45,—not a genuine settlement. It is not complete, and if you will observe further, the ticket is shorter than the others; it is cut off close to the figures after it is added up. It is not, I think,—I *know* it is not a genuine settlement. I say the evidence that num-

bers 3, 4, and 5 are not separate settlements, is: First, the wrappers of 3 and 4 are shorter; and second, there were deposits at this time amounting to \$195, as you see by the stub-book, which are not included or accounted for upon either 3, 4, or 5. There are no deposits on either of them. There were bills paid at this time, but they do not occur on either of them. The fact is, that wrappers 3 and 4 are all included in one settlement, and the proof is that first a cross and also June 13 are placed on stub number 230. The cross mark is placed where the count of the deposit commenced on June 13, the period at which it closes, the date of the count; second, all the stubs from September 12 to October 24 are signed with the letter *D* in ink; from October 24 to April 2, in pencil, from April 2 to June 13, the next date in these three packages began in ink, evidently made at the same time; and from June 13 to the close of the year they are again signed in pencil. There must therefore have been a fourth wrapper or memorandum of settlement in addition to those three, and that memorandum would have contained two tickets which are missing during this time, which are not included in either of those packages.

Q. Can you discover the number of the ticket that is missing?

A. Ticket number 125, issued April 13, '73, H. H. Lockwood, for \$48.50; and ticket number 57, issued September 30, J. C. or I. C. Moss, \$52.35. So I say there was a third ticket or memorandum of settlement, which included the deposit, during that period, of \$195, which those two tickets of Lockwood and Moss were added to, and then the footings of the three packages, 3, 4, and 5, were added to that, and then canceled tickets taken out and bills which were paid were also deducted.

EXAMINATION OF DR. ROSE RESUMED.

By Mr. Taylor:

Q. You may proceed with your examination where you left off.

A. We had just finished up with wrappers number 3, 4, and 5. I now take up package marked number 1, and I open this package, and find the wrapper to be in my handwriting; and if I examine the dates of the tickets I will find them running from April 24 to June 18, and if I examine the tickets in that package I find they are less by one than are represented upon the wrapper, which called for \$34.35; and if I examine the whole package through the entire year that ticket will not be found,—has not been found heretofore; I won't say it *will* not be found, but *has* not been found. I will just ask one question here: If that wrapper had been lost, who would be accountable for that ticket represented on the wrapper?

Q. Never mind arguing the case. Go on.

A. It is G. W. Harvey, and I will say that the reason I know it is G. W. Harvey is this: that there is no other account during the entire year amounting to \$34.35 except his; therefore I infer that it must be G. W. Harvey's. Aside from that it might be a genuine settlement. There were no deposits during that time from the date of the last settlement, which was June 13. This occurred on June 13. I say it may be a genuine settlement. There were no deposits to add, and I do not know whether there were any bills to be deducted or canceled tickets. If there were any it would not be a genuine settlement. There were no deposits to add.

I will now take package number 11. That is also in my handwriting, except there is something written on the bottom since I last saw it,—by whom I know

not. It is not a complete and genuine settlement; and if I examine the dates of the tickets I find them running from April 30 to June 24. There is one ticket for April 30, one for June 10, and the others are for June 20 and June 24. This is not a complete and genuine settlement, and the evidence is, first, there were four tickets settled at this time which are not represented on the wrapper, one of which is in the hands of this committee. I hold it in my hand,—number 253, June 26, 1874, \$206.23. Further evidence that this is not a complete settlement is that the subsequent payments and forfeited accounts, amounting to \$159.55, stubless accounts amounting to \$536.55, do not appear upon this memorandum or wrapper, but were included in the settlement. They do not appear upon this memorandum; therefore it could not have been a genuine settlement. To complete the settlement we would have had on another piece of paper \$42.55, ticket of Stephenson, \$46.90, ticket of Takemoora, \$34.25, ticket of Cady \$206.23, ticket for apparatus, making \$329.93; deducting face, leaving \$299.93; adding to that subsequent payments and forfeited accounts, \$159.55,—\$536.55 stubless accounts and the amount of this ticket, which is \$294.15, will make \$1,290.18, which completely represents the genuine settlement at that date,—June 26. The 18 cents I paid him in currency, and gave him my check for \$1,290, dated June 26, 1874.

Q. Have you got that check?

A. Yes, sir. The check reads as follows: "Ann Arbor, Michigan, June 26, 1874. First National Bank: Pay to S. H. Douglas or bearer \$1,290. (Signed) P. B. Rose." That was the final settlement for that year, closing up all accounts which were in my hands at that date, both stubless accounts, subsequent payments on forfeited accounts, and all the tickets.

Check is produced in evidence and marked "Exhibit O."

I say that settles up all the money for two years,—received at the laboratory up to that date. There was \$21.75 apparently in my hands, made up of the account of McCarty, which was paid October 10, '74,—the following October,—and therefore I could not have paid it over at that time, amounting to \$10; also the account of Duncan, \$7.65, which was not paid until the year 1875. Then by running through the year's work there is a balance of errors on accounts running through the whole year amounting to \$4.10. That \$4.10, if I were to be charged with those errors, would apparently be in my hands. I was not aware of it, however. That would settle the year for '73-4.

Q. And the settlement took place?

A. The settlement took place on the 26th of June, '74.

Q. Have you got through that year?

A. Yes, sir. With your permission I will take up the first year, going through the whole length of time, giving you the amounts of money received at the laboratory and what has been done with them.

Q. Commencing with what year?

A. The year I went into the laboratory,—'65-6.

Q. Very well.

A. I have gone over the year '64-5, though I have not footed up the amounts, but simply to see whether there is anything delinquent in that year.

I now take up '65-6. The total amount of money received from every source at the laboratory for that year was \$2,996.96; received on tickets and reported by Dr. Douglas in his annual statement for '65-66, \$2,895.76; leaving \$101.20 delinquent for that year. I have divided this amount, showing the amount that was received during the time that Lewis was book-keeper and the

amount during the time that I was there. The total amount received at the laboratory during Lewis' time was \$2,384.19 as shown by the ledger, reported by Dr. Douglas as received during Lewis' time, \$2,289.79, leaving \$59.40 to be accounted for as delinquent. Total amount amount received from every source during Rose's time, as per the ledger, \$646.87; reported by Dr. Douglas as received during Rose's time, \$605.07; leaving an amount of \$41.80 delinquent according to his report. Now I will give you the total payment actually made by Rose for the three months of the year during his time in '65-6: April 1, tubing, Dr. Prescott, \$4.39; April 12, money refunded on Angell's deposit, \$2.50; April 30, paid Douglas \$179.25; May 7, money refunded on Wood's deposit, \$3.15; June 16, paid Douglas \$197.26; June 20, \$169; June 22, \$89.25; June 26, \$21.75; reported by Dr. Douglas in his annual statement for '66-7; Frost's account, \$18.45 (the date at which I paid him that I am not able to give. He reports it the next year, so that he must have had the money); making a total of \$685. Now, the total amount received as per the ledger was \$647.77; the total amount received from apparatus, \$105.45; total amount received for books during the year \$26.50, which was included in those payments also, which will make \$684.72, making a balance overpaid to Douglas of 28 cents for that year.

I will now give you the total amount actually paid by Rose during the year '66-7. This is the year in which the stub-books come. Total amount of all receipts from all sources for the year '66-7, \$4,382.41; deposits paid Douglas and receipted for by the initial *D*, \$2,426.62; subsequent payments receipted for by the red line, \$1,925.62; \$18 forfeited account of F. A. Crook, entered in ledger without any date and not in my handwriting (therefore I did not hold myself responsible for that); making a total of \$4,370.24, which makes a balance still apparently due from Rose of \$12.17 for that year. That \$12.17 is made up of the accounts of J. P. Morrison \$5.50, F. A. Spaulding \$5.50, and a debtor balance of errors of \$1.17; making \$12.17. The debtor of errors, \$1.17, I have no record that was ever paid. It was not known at the time the \$11.50 was settled at our annual statement for that year,—the same as the forfeited accounts and the ledger accounts of '73-4.

I will now take the year '67-8. Total payments actually made by Rose for the year '67-8,—total amount received as per ledger,—\$3,979.18; for apparatus, \$13.20; making a total of all receipts from all sources \$3,993.38. Deposits paid Douglas and receipted for by the initial *D*, \$2,201; subsequent payments receipted for by the red line, \$1,845.38; ledger accounts, that is stubless accounts, and apparatus, \$44.25. This \$44.25 is made up of the items found in schedule *A* annexed to the statement for '67-8. There was also that year of forfeited accounts on deposit, \$60. This \$60, along with the \$44.25 of apparatus and stubless accounts, make \$104.25 reported by Dr. Douglas in that year of forfeited accounts. I believe he puts it in as forfeited accounts, and which he received from me. Then there would be a credit to me of \$5.80, E. J. Weeks, written in the ledger settled by Dr. Douglas, which would make a total of my receipts \$3,996.43. The total amount of receipts was \$3,993.38, which would make \$3.05 overpaid by me for that year.

I will now take the year '68-9. The total amount of receipts from every source for the year 1868-9 was \$5,391.46, for which I have Dr. Douglas' receipt by the letter *D* of \$2,830; of subsequent payments receipted for by the red line, \$2,441.41; stubless accounts and apparatus returned in Dr. Douglas' annual statement as sundries (see his report for '68-9), \$66.19. That is made up of items enumerated in schedule *B*.

By Mr. Hinchman:

Q. Were those sales of chemicals always represented by stubs?

A. No, sir.

Q. Were they ever represented by stubs?

A. Yes, sir.

Q. Not always?

A. In the earlier part of the year they were not. I think after '68-9, I don't know but they were.

Q. Chemicals or apparatus either?

A. You mean sold outside of the laboratory?

Q. Sold in the laboratory to go to parties outside.

A. For '68-9 I think they were always put on tickets.

Q. How was it with the \$200 sale of apparatus?

A. That was all the apparatus for that year,—all figured up and put on the one account, for this reason: that they never went on the ledger, and therefore we wanted some account of them, and so made out a ticket for the apparatus because they were not represented upon the ledger any way.

In addition to the above credits there was \$20 subsequent payments of forfeited accounts, which are reported by Dr. Douglas in his annual statement, making a total of \$5,383.65, leaving a balance of \$7.81 apparently due to me. Were it not for one item in that there would be \$10. There is the account of Ewing for that year, H. J. or H. I. Ewing, on ledger page 218, of \$21.05. He paid October 19, '68, on deposit number 153, \$10, and in December '69, after this year in which this report was made, he paid \$10 more; so if that was included in this year's work it would make really \$10 due from me; but there is a balance of errors that year to my credit of \$3.19. Taking \$3.19 from the \$10 would leave, including that of Ewing, \$7.81. The account of Oakes is among Dr. Douglas' vouchers accompanying his report for '69-70 returned as a protested note. This is the draft, \$25.

Q. Give a complete history of this Oakes account, whether stubless or not, and how the balance now stands.

A. Mr. Oakes had an account of \$25 without stub or voucher; but Mr. Oakes has three accounts for that year, two of which were settled on tickets. The tickets are now in the hands of this committee, I suppose; they were in the hands of the Steward at the time I went over them. One is for \$23.40, the other for \$5.70. The account for which this is a voucher occurs on page 136 of the ledger of qualitative analysis. The number of the voucher is 35. it was given September 26, '68, for \$10, and was returned February 1, '69, \$23.40. He paid also, on January 5, \$10. His payments were as follows: September 26, \$10; January 5, '69, \$10; and February 1, balance, \$3.40, making a total of \$23.40. He has another account, which occurs on page 263 of the same ledger, I believe, of \$5.70, on which he made a deposit February 9, '69, number 250, of \$5. March 16 he settled up his account, paying 70 cents more, making a total of \$5.70, on which the ticket is among the vouchers somewhere. Then he has still another account in pharmacy of \$25. When he left the laboratory he had not the money to pay it, but remitted it by this draft after going home. The draft reads: "Arcade Banking House, Rochester, N. Y., June 2, '69. Mercantile National Bank of New York: Pay to John Oakes, Esq., or order, \$25," signed by the cashier of the bank,—I don't know what his name is. It reads on the back as follows: "Pay to Professor Preston B. Rose, or order, John Oakes." I turned this draft over to Dr. Douglas

at the time that amount of \$26.05 was settled, and indorsed it on the back, so that it bears the indorsement of my name, "P. B. Rose." Dr. Douglas sent it on for collection, I presume. I think it is in his handwriting, "Pay Messrs. Duncan, Sherman & Co." Of course, when I signed my name there that was not there. Here is the receipt for the other account of Oakes, \$5.70.

Q. How does the balance now stand, and who should account for that amount?

A. This \$26.05 cents has never been reported by Dr. Douglas; the University has never had credit for it. The following year he charged it to the University and received pay for it; so that, looking at it from my standpoint, it would make a difference of just twice \$26.05, or \$52.10.

Q. Can you find that in his reports?

A. I have examined his report and failed to find it.

Q. Can you find where he charged it against the University?

A. Yes, sir. In the report of 1869-70. I find in Dr. Douglas' annual statement for 1869-70, under the head of August 1, protested draft \$25. The account reads: "University of Michigan in account with S. H. Douglas; Dr., August 1, protested draft, \$25."

Q. How do you know that was the same one?

A. It is there without a voucher corresponding to it. I then went to Dr. Douglas' vouchers and found this in the package with the rest of the voucher. for that year, and this is marked on the back of it: "Protested by Duncans Sherman & Co."

For the year 1869-70 the total amount of all moneys, receipts from every source, \$4,159.87; deposits receipted for by the letter *D*, \$2,693; subsequent payments receipted for by the red line, \$1,444.52; ledger accounts, that is stubless accounts and subsequent payments and forfeited accounts, paid by ticket number 300, July, 1870, and included in Dr. Douglas' report for that year of previous and old accounts, \$26.10. That is made up of apparatus \$1.45, account of Howell \$6.20, J. A. Roe \$4.20, McKinney \$10, Winslow 45 cents, Jenks \$3.80; so that the total amount of credits is \$4,363.62, or \$3.75 overpaid by me for that year. That \$3.70 is made up of the errors that occurred during that year. It has a credit balance of errors of \$3.70. In taking this into account the year would just balance and no more; but in making up my account clear through I have given the University credit for the errors when they occurred that way, and when they occurred the other way, I have taken credit for it myself; so that I have kept the credit and debtor balance of those errors.

Taking the year '70-1, the total amount of receipts from all sources was \$4,386.25; the amount of deposits receipted for by the letter *D* was \$2,539; subsequent payments receipted for by the red line, \$1,714.05; making a total of \$4,253.05, which leaves a balance of \$132.20, which is the stubless accounts and the subsequent payment of forfeit accounts, of which I at present have no record. They were settled at the close of the year the same as the other years,—the year previous and the year following; but at present I have not found a record of that final settlement.

For '71-2 the total amount of receipts from all sources was \$4,252.67; deposits paid Dr. Douglas and receipted for by his initial *D*, \$2,365; subsequent payments receipted for by the red line \$1,699.47, making a total of \$4,064.47, leaving a balance of \$188.20, the same as the year previous, of which I have no record at present that I have been able to lay my hands upon. That is, in all other years subsequent payments and forfeit accounts, and these stubless, are taken off and settled for at the close of the year in our annual settlement.

I now take the year '72-3. The total amount of all moneys received was \$4,815.55; deposits paid Dr. Douglas and receipted for by his initial *D*, \$2,494.70; subsequent payments, receipted for by the red line \$1,952.85; stubless accounts, or ledger accounts, \$184.55, made up of the items in schedule *C*. These were paid by check on the First National Bank; also subsequent payments on forfeited accounts, \$89.60, paid by check on the First National Bank, composed of the items embraced in the items in schedule *D*.

Q. Will you prouduce the check?

A. Our final settlement for that year I can give you, which will embrace this check. June 23, settlement was made as per next schedule marked *A*, of all regular tickets from May 30 to June 23, amounting to \$886. Deducting the face of the regular tickets at that time it is that. The forfeited accounts as per schedule *B*, \$89.60; the ledger accounts which I read you, \$184.55. Those three items make \$1,160.15, which was paid by check on the First National Bank, dated June 1, 1873, for \$911.94, and due-bill of Dr. Prescott, \$80, Michigan Central railroad bill \$4.20, currency \$1.64; making \$1,160.15.

I now come to the year '73-4. The total amount received was \$4,844.85; deposits paid to Dr. Douglas receipted for by the letter *D*, \$2,030. \$30 of this year's account had not the *D*; only \$2,000 has the *D*. \$30, three stubs, had not the letter *D*. Subsequent payments receipted for by the red line, \$2,056.60; ledger accounts, \$536, as shown in schedule *B*; subsequent payments and forfeited accounts, schedule *C*, \$159.55; making a total of \$4,782.70, leaving a balance of \$21.75, balance apparently due from me, made up of the following accounts: McCarty, \$10, Duncan, \$7.65,—both received after the date of this settlement, which was the 26th of June. McCarty's was not received until October of that year, Duncan's not until the year '75, so that I could not have reported them at that time. The other \$4.10 is a debtor balance of errors, which at the date of that settlement was supposed to include everything for that year. The final settlement for that year is made up as follows: It was June 26, and it is made up of regular tickets according to schedule *A*, \$594.08; delinquent accounts as per schedule *D*, \$536.55; subsequent payments and forfeited accounts, as per schedule *C*, \$159.55; making a total of \$1,290.18, which was paid by check on the First National Bank, June 26, '74, of \$1,290, which you have. The 18 cents I presume was in currency.

I now come down to the year '74-5. The total amount of money received was \$6,220.47; paid Dr. Douglas and receipted for by the letter *D*, \$2,695; subsequent payment payments receipted for by the red line, \$3,058.82; ledger accounts paid Dr. Douglas by check on First National Bank, July 6th, \$413.40; subsequent payments on forfeited accounts, \$26.25; making a total of \$6,193.47; leaving a balance apparently due to me of \$27, which is made up of the following accounts: Boehn \$10.80, Fox, \$3.10, Woodbridge \$14.10, Green \$3.70; making a total of \$31.70; and then there would be a credit balance of errors of \$4.70; leaving \$27. The two accounts of Woodbridge and Green were both paid after this settlement, and therefore could not have been included. The two accounts of Boehn and Fox should have been included in that settlement. They were overlooked at the time. The settlement was actually made July 6th, was as follows: Deposit ticket number 283, \$10; tickets returned to Dr. Douglas, as per schedule *A*, \$316.20; tickets returned to Dr. Douglas, as per schedule *B*, \$103.14; balance of forfeited accounts, as per schedule *C*, \$26.25; ledger accounts and stubless accounts, for which no stubs or vouchers were ever made, as per schedule *B*, \$413.40; making a total of \$868.99. Paid by check

on First National Bank, July 6th, '75, \$668.99. At that time I gave him my promissory note for three months, dated July 6th, '75, for \$200, making in all \$868.99. This is the note I gave him at the time: "Ann Arbor, Michigan, July 6th, '75. Three months after date I promise to pay to S. H. Douglas or bearer the sum of \$200, for value received, at 10 per cent." When it was paid the name was torn off.

Total amount of moneys received from all sources of the laboratory from—'74 to July 6, '75, \$5,894.47, which is made up as follows: October 5, deposits on ticket number 1–110, and receipted for by Dr. Douglas with the letter *D*, \$1,025; October 15, deposits on tickets from 110 to 165, \$510; November 20th, deposits on tickets 156 to 201, receipted for by letter *D*, \$330. Five tickets returned at this date and receipted for by the red line and also in this memorandum book, \$29, making \$359. Deducting face of the five tickets, \$35, canceled tickets \$95, making \$130 in all, leaving \$229 which was paid at that time, December 24. Deposits on tickets from 201 to 229, receipted for by Dr. Douglas by the letter *D*, \$255. At this date 27 tickets were returned, making \$275. Taking that out of the whole leaves \$278.25 actual payment.

January 19, '75, deposits on tickets number 229 to 250, receipted for by Dr. Douglas with the letter *D*, \$175; 15 tickets returned receipted for by the red line and also in this memorandum book, \$165.65; making \$340.66, deducting the face of the 15 tickets, \$135, leaves \$205.65, the actual payment.

February 15, deposits on tickets number 250, to 267, receipted for by Dr. Douglas with the letter *D*, \$140; 44 tickets returned and receipted for by the red line and also this memorandum book, \$461.90, together with the deposits, making \$601.90; deducting the face of the 44 tickets, \$370, canceled tickets \$80, making \$450, leaving \$151.90, the actual payment.

March 31, deposits on tickets from 267 to 300, receipted for by Dr. Douglas by the letter *D*, \$290; 48 tickets returned receipted for by the red line, also in Dr. Rose's memorandum book, \$476.35, making \$766.35. Deduct the face of the 48 tickets, \$425, canceled tickets \$40, making \$465, leaving \$301.35, the actual payment.

June 3, deposits on tickets number 301 to 315, receipted for by the letter *D*, \$145; deducting three tickets returned receipted for by the red lines, and also in Rose's memorandum book, \$1,133.35; three tickets returned receipted for by the red line, but omitted by mistake from this memorandum book, Fuller, Little, and Topping, \$116.33,—\$1394.68; deduct the face of 46 tickets, \$440, canceled tickets, \$15, making \$455. Deducting that from the total, leaves \$939.68, the actual payment at that date.

June 24, deposits on tickets number 315 to 323, receipted for by Dr. Douglas with the letter *D*, \$50; 63 tickets returned receipted for by the red line, also in this memorandum book, \$1,925.75, making a total of \$1,975.75. Deduct the face of the 63 tickets, \$605, leaving \$1,370.75, the actual payment.

July 6, deposits on tickets from 323 to 325, receipted for by Dr. Douglas by the letter *D*, \$10; 14 tickets returned receipted for by the red lines, and also in the memorandum book, \$451.20; 3 tickets returned receipted for by the red line, but omitted by mistake from this memorandum book, \$185,—that of Beach, Thompson, and Sauls; subsequent payments and forfeit accounts, \$26.25; ledger accounts, \$413.40; one ticket for apparatus, which was also included in the settlement but not receipted on this memorandum book, \$27.29, making \$1,028.99; deducting the face of the 17 tickets, \$160, leaves \$868,—the actual payment which I gave him, which was paid by check on the First

national bank and the promissory note ; which makes up the sum total received for that length of time \$5,894.47, with the exception of the ticket Boehn, \$10.80, and Fox, \$3.10,—\$13.90: those added to the payment make the sum total \$5,894.47. Those were all paid on the 6th of July, and I paid over again in October.

Q. You say certain tickets were omitted by mistake from your memorandum book: how do you account for the mistake?

A. As I stated this forenoon, this book was no part of my record ; it was kept for my own convenience, and kept without any knowledge of Dr. Douglas. I entered those tickets up from time to time as I had them on hand. If Dr. Douglas came around to settle, and I had any of those tickets on hand that were not entered in here, I might or might not get them ; and that is the way in which they came to be omitted from this book, and was the reason why I stated to him, when I gave him the book, that I would not swear it was a correct book, or that it contained all the names. In this July-6th settlement there is a ticket for apparatus that was omitted, as well as others. If I could put them in without his knowing it I would put them in ; but they passed out of my hands and I had no means of referring to them, and they were omitted in that way.

DR. ROSE RECALLED—FEB. 5, A. M.

By Mr. Kelley:

Q. At the time this defalcation was discovered did you have in your possession all the data that you have now in reference to moneys you have paid Dr. Douglas?

A. Do you refer to the checks, or what I gave the other day?

Q. All the matters from which you could render any assistance.

A. It was in my possession and on the stub-books of the University.

Q. Did you have access to the books and papers of the laboratory department after the discovery of this defalcation?

A. After the first of January I had permission of the Board of Regents to make any copies of books and papers I might desire.

Q. Prior to the discovery of the deficiency had you ever seen any of the annual reports of Dr. Douglas made to the University?

A. I never had.

Q. Were you ever present when they were presented or audited by the committee or Board of Regents?

A. I never was present.

Q. Had you ever seen any of Dr. Douglas' books of account with the University?

A. I never had till that time.

Q. Did you know the manner in which they were kept?

A. I did not.

Q. Had you any way of knowing how much of this deposit or stub money Dr. Douglas had accounted for to the Regents,—to the University?

A. I never had.

Q. Was it part of your duty to keep the accounts of Dr. Douglas with the University?

A. No, sir.

Q. Did you ever assist him in making out his annual report?

A. No, sir.

Q. Did you ever compare his annual report, or assist him in comparing it, with the stubs and vouchers?

A. Not until since the first of January, 1876. Then I did not assist him, but I compared them with the stub-books.

Q. Was he present at the time?

A. No, sir.

Q. Have you ever examined the stub-books to ascertain how much of the forfeit money Dr. Douglas has accounted for to the Regents? And if so, state how much.

A. I have examined them [since] this difficulty commenced, since the first of January, after I got permission to see his annual statements. Do you want to know how much money he has reported?

Q. Of this class of money.

A. The forfeits?

Q. Yes, sir.

A. I have not got it footed up. I will have to foot it to see how much he reported. I find he reported in '68-9, and he reported in the year previous to that. I think he reported up to '68-9; after '68-9 he has not, as I find according to his annual statement, reported anything until after this difficulty commenced, which he puts into his annual statement for '74-5; but, as I understand, this statement was not presented until after this difficulty commenced.

Q. Did you make any memorandum or report of such forfeited accounts?

A. That he has got and not paid?

Q. Yes.

A. I have not got it footed. I would have to take time to foot it.

Q. Perhaps you had better foot it up.

A. It would take some little time to foot it. I can foot it and give it to you this afternoon.

Q. We will pass it at present. How many of such reports have you made,—reports of forfeited accounts or forfeited money?

A. The amount of forfeited accounts was given in at our annual settlement at each year.

Q. Who gave it to him?

A. We usually went over the books together,—the stub-books. I gave him the amount of the sub-payments, and would take the amount from the stub-book and write across the stub "forfeited," and you find in the previous years, at least up to '68-9, and I think since,—that they were written across the stub in his handwriting.

Q. When was the last report of that character made by you to Dr. Douglas?

A. The regular report on the forfeit accounts was made at our annual settlement the 6th of July, '65.

Q. Was that the day that this defalcation was said to have been discovered?

A. No, sir. On the 18th of October he came around for the amount of stub deposits which would be forfeited, which I made him out, and the list has been here on exhibition. That is not the ordinary list of forfeited accounts that has been presented to him yearly; that was made out on the 18th of October, the day that this defalcation was discovered.

Q. Is there always more or less of sub-payments on that class of accounts?

A. Almost always.

Q. Would that be included in these reports?

A. The annual settlement would.

Q. Were those stub-payments settled at that time on that class of accounts?

A. They were; yes, sir.

Q. Have you seen a report presented here by Dr. Douglas in reference to delinquent accounts for the year '73-4?

A. I don't know what reports you have reference to—is this it?

Q. Yes.

A. I have not seen it; no, sir.

Q. What can you tell us about the account of McCullough?

A. For '73-4?

Q. Yes.

A. McCullough has an account on page 210 of the ledger for that year, amounting to \$29.75. On September 29th he made a deposit of \$10, and the number of the stub is 57; February 16th, '75, not until the next year, he paid \$19.75. He only paid \$10 during the year '73-4.

Q. Is it not a fact that under your mode of doing business with Dr. Douglas there is no evidence that that sub-payment had ever gone into his hands?

A. Of this amount?

A. Of the \$19.75.

A. That would come into the payments for '75-6, and not in the year '73-4, or of the year '74-5.

Q. According to your system of doing business and receipting to Dr. Douglas, is there any evidence that that money was ever paid over to him?

A. I would have to look for the year '75-6, which I have not here.

Q. How do you know you paid that to him in '75-6?

A. I think it will show in the year. I guess I have it here. The ticket is not marked as returned.

Q. You say you have not the work of '75-76 here?

A. I have not.

Q. Have you ever examined that year?

A. My recollection is I have not. I have not made it up in tabular statement on this, I know; whether I had any other data to go by I am not sure.

Q. What explanation can you give of the account of Bowers for '73-4?

A. F. A. Bowers, page 199, has an account of \$38.45, on which, October 2, '73, he paid \$10; deposits, ticket number 85, signed by the letter *D*. November 24, '73, he paid \$10 more, and February 19, '74, he paid \$10 more, making \$30 in all, that is all that he has paid. The \$10 is receipted for by the letter *D*; and in the final settlement for the year '73-4, which is made on the 26th of June, that amount was given to Dr. Douglas,—“Bowers \$30.” The stub was taken out of that, leaving \$20, and which I paid him at that time,—all the ledger accounts for the year,—amounting to \$159.55.

Q. What evidence of that fact appears upon either the ledger or the stub-book?

A. There is no evidence of it.

Q. Is that stub red-lined?

A. No, sir.

Q. Are you sure it has the letter *D*?

A. I am.

Q. Have you anything further than your recollection of the fact that money was paid?

A. The amount of the settlement corresponding to the amount of money which I paid at that time.

Q. If that amount does not appear on the wrapper accompanying the vouchers of that settlement, would you then think you had paid to him?

A. Yes, sir, the wrappers are not settlement tickets, but simply accounts for the tickets. There was a third wrapper—

Q. Suppose there was no other amount except as represented by the vouchers?

A. There was.

Q. If the settlement ticket would show there was none, would you then say you had paid it to him?

A. I have the evidence of the check that I paid him at that time.

Q. Does the check mention the particular account?

A. No, sir; but it mentions all the accounts. It takes all the tickets from the date of the settlement previous to that time,—all the tickets which came into my hands after that date according to the ledger. It accounts for all these sub-payments and forfeit accounts,—all of them during the year,—which were always paid at the end of the year and not at any other time, as all of the accounts were for voucher or ledger accounts,—settlement accounts. Those all come—

Q. What did you do with the forfeited accounts upon the ledger when paid you?

A. I entered the account on the ledger, just as I would any other account, the amount of money was credited on the ledger. Take this account of Bowers, and you will find on November 24, '73, \$10 credited him; February 19, '74, \$10 credited to him; so that the ledger shows \$30 credited; the debtor column will be \$38.45, leaving \$8.45 which has not been paid.

Q. Is it true on this account that \$8.45 has never been paid?

A. The \$8.45 has never been paid.

Q. Can you give any information in reference to Van Meter's account in '73-4?

A. Van Meter has an account in the ledger of '73-4—the qualitative ledger—of \$29.15. September 22, '73, he paid \$10, for which he holds deposits, ticket number 10. The stub is signed with the letter *D*. November 24, '73, he paid \$10; February 24, '74, he paid \$9.15. The ticket has not been returned, and is still in the hands of the student, as far as I know.

Q. Was that account paid in full by the student?

A. That account was paid in full.

Q. Was it ever reported as a forfeiture account?

A. Yes, sir.

Q. In what month?

A. Dr. Douglas has it reported in '74-5.

Q. I mean by you?

A. It was given to him by me on the 26th of June, 1874.

Q. Turn to that stub and see if the word "forfeited" is written upon it.

A. It is.

Q. Did Van Meter have more than one stub?

A. No, sir.

Q. In whose handwriting is that word "forfeited?"

A. Dr. Douglas'.

Q. Now, if this account beyond the deposit money had ever been paid to Dr. Douglas, why would not the red line appear upon that stub?

A. He did not have a ticket.

Q. Did it make any difference about having a ticket, if the money was paid in full settlement of the account,—about the red line being placed there?

A. Now, when I turned over the ticket he placed the red line,—when I turned over the certificate.

Q. Was that the uniform practice between yourself and Dr. Douglas?

A. That was the uniform practice. There are some tickets, however, which were turned over to him which are not red-lined, I find in going over the different years.

Q. How can you determine that the money represented by Van Meter's account, over and above the \$10, ever came to Dr. Douglas' hands?

A. It was given him at the annual settlement in bulk, with the balance of the ledger accounts at that time.

Q. Do you rely upon your memory for that transaction?

A. That time we went through and took all those accounts on which the stubs are not red-lined,—were classed as forfeited accounts,—and all money which was paid on those accounts was put into this one item of forfeited accounts.

Q. Have you got any data from which you can ascertain that fact now,—that that money went into any sum that was turned over that day?

A. Only from figuring up the whole amount of the account that occurred in that year.

Q. And for that purpose to what books did you have reference?

A. I would want the stub-books and the ledgers.

Q. You would rely simply upon the word being written on the stub "forfeited?"

A. No, sir; the absence of the red line.

Q. Can you give us the time at which all the forfeited accounts for the year '73-4 were settled between yourself and the Doctor?

A. On the 26th day of June.

Q. Have you any memoranda by which you can determine the amount of such forfeit money then turned over?

A. I have the memorandum,—I have taken it from the ledger,—of \$159.55.

Q. Do the accounts which would go to make up the forfeit money turned over at that time [appear] in a settlement of those two accounts upon the same day, all of them?

A. How is that?

Q. Do the accounts which appear upon the ledger as having gone into this ledger that you speak of, appear to have been settled on that day,—all of them?

A. It has the appearance—you mean on the ledger?

Q. On the ledger.

A. The ledger will show the time the money was paid.

Q. I understand you to say that upon a certain day in June you settled with Dr. Douglas, and then turned over to him all the forfeit money or money from forfeited accounts?

A. I see. I rely upon that date,—the date of the check which I gave at the time.

Q. Now, wait a moment. Do all of the accounts that appear upon the ledger which go in to make up this forfeit money appear to have been settled at that time?

A. No. I understand, you mean whether there is anything on the ledger which will indicate that date?

Q. Yes.

A. No, sir; there is nothing on the ledger that indicates—June 26—

Q. When you settled an account did you not usually enter your settlement on the ledger?

A. When I settled with the student I did, but not with Dr. Douglas.

Q. When you closed up forfeited accounts didn't you usually indicate time at which it was closed up?

A. No, sir; there is no such entry upon the ledgers.

Q. Is it not a fact that some of those accounts which you claimed to have been forfeited accounts went in to make up this amount of money, bear the date of the settlement at different times?

A. Yes, sir.

Q. [How] does that occur?

A. If you will give me the ledger I will show you. I turn to the account of Bowers, which we had a moment ago, page 129. Mr. Bowers worked on table number 6. In the ledger of October 10, 1873, October 2 he made his deposit of \$10; November 24 he made a sub-deposit of \$10; February 19, 1874, he made another sub-payment of \$10. The debtor account stands \$38.45. The account is not balanced; so it stands just that way.

Q. Does that account show that it had been closed up at a given day?

A. No, sir; the account shows that it never was closed up.

Q. What do these lines ruled at the bottom indicate?

A. The ruling was all done at one time, so that when that account would be closed up the balance of the credit would be put in here, and then the footing would be brought down here and balanced. The ruling had nothing to do with the balancing of the account. That ruling in red ink was all done at one time for the sake of convenience.

Q. Give me the date of that settlement.

A. June 26th.

Q. How many accounts at that time were settled for as forfeited accounts?

A. Seventeen.

Q. Give the names.

A. Alderton, page 319; Bowers, page 199; Bartlett, page 225; also on a page in the pharmacy ledger, which I cannot give you; Blakely, page 238; Desnoyer, page 204; Earl, page 239; again page 391; Housler, page 236; Hunter, page 264; Huntington, page in the pharmacy ledger, which I cannot give; Logan, page 378; McCullough, page 210; Mitchell, page 398; Norris, page 350; Simms, page 327; Hugo Thum, page 213; Van Meter, page 272.

Q. Is that all?

A. That is all.

Q. When was the word "forfeited" written upon these stubs usually?

A. At the time the accounts were given to Dr. Douglas at the annual settlement.

Q. At the time the money was turned over on the forfeited accounts?

A. Yes, sir.

Q. Was it ever written at any other time?

A. The year '74-5. It was written there at the time I gave him that memorandum in October.

Q. What memorandum.

A. The one which is given here as a memorandum by Dr. Douglas.

Q. In Dr. Douglas' handwriting?

A. No, sir: it is in my handwriting.

Q. Was it in a book?

A. No: on a little slip of paper,—“Exhibit E;” that is the one, I think. That is not the report, except as I [gave?] him at the annual settlement. This was simply a list of stubs which were not marked “forfeited,”—which was taken off from the ledger on the 18th of October, ’75; and at that time Dr. Douglas asked me to write the word “forfeited” across this stub, which I did,—did it at his own request,—the only year in which the word “forfeited” has ever occurred in my handwriting.

Q. Upon all these stubs the names of the students appear upon that list. Did you write the word “forfeited?”

A. I believe I did. It was done at his request. If there were any missed it was an oversight.

Q. At that time did you pay him any money?

A. No, sir.

Q. Is it not a fact that whenever the word “forfeited” appears upon the stub, the subsequent payment of such account has been turned over to Dr. Douglas?

A. Yes, sir.

Q. Have you any means of ascertaining when the money on McCullough’s account was turned over to Dr. Douglas?

A. I would have to examine the year ’75–6.

Q. Did you make any other settlement similar to “Exhibit E,” with Dr. Douglas, of accounts that were forfeited?

A. I never did.

Q. Can you tell how many or how much money reported by you to Dr. Douglas on forfeited accounts has been reported by him to the University within the past six years?

A. That will require a little computation to see. He has not reported any since ’68–9 until he reported in his annual settlement for ’74–5; and as I said before that was not handed in until after this difficulty was commenced; so he did not report any until this defalcation was brought out. I can soon foot up the amount that he has reported since that time, but then I would have to foot the amount which has occurred during the year to see what the difference would be.

By Mr. Taylor :

Q. Has he now reported those forfeitures for those years?

A. ’69–70, ’70–1, ’71–2 are not reported yet. A part of ’72–3 is still not reported. The sub-payments on these should have been reported. When he did report he simply reported the deposits and no more.

By Mr. Kelley :

Q. Did Dr. Douglas know that there were any sub-payments on such account?

A. He could not help but know it.

Q. How could he know it if he never examined the ledger?

A. He has examined the ledger, and besides that he furnished me with a book to receive sub-payments on, and you have that book here in your possession.

Q. What book is it?

A. It is the stub-book in which there are some receipts still in the book;

that is it, sir. This is a book which Dr. Douglas furnished for the purpose of receiving sub-payments after a man once commences work.

Q. In what year did you commence to keep that book?

A. This individual book was kept in '74.

Q. Did you ever keep any similar books to that prior?

A. Yes, sir.

Q. Where are they?

A. The stubs are here, somewhere.

Q. Did Dr. Douglas ever examine those books?

A. No, sir.

Q. How did he know about sub-payments?

A. He furnished the book to receive the sub-payments on. This was simply the receipt which passed between the student and myself. This account was entered on the ledger, and it was the understanding when this was introduced, —perhaps to give you a better history of that it would be better to go a little further back. Before these books were used the sub-payments were put directly on to the ledger. The student would want a receipt for his money, which was natural, and I suggested to Dr. Douglas that we have a blank receipt, so that the student could have a receipt for his money, and he got up,—I don't know which one of these was the original one. He got up these receipts, and I would send these out as a notice to the student to make a further deposit, so that he might not go away owing the laboratory, if possible to secure the laboratory against loss. Perhaps I can give you a better idea if I read them.

Q. Read one.

A. "Number..... University of Michigan, Chemical Laboratory,-----
18..... Please to take notice that your deposit for chemicals and apparatus has been exhausted, and according to the rules of the laboratory you are required without delay to deposit an additional \$10. This notice, countersigned by the assistant professor in charge, will be your receipt for the same." That was filled out, put in the man's hand, and the number [amount?] of his total receipts deposited. These were usually filled out, as I would go through the ledger from time to time, to see whether a man had used up his \$10. I would fill this out, may be twenty or thirty at a time, and give them to the students to whom they belonged. They might come up the same day and make a portion of their deposit. If so, I would simply sign my name to it, hand him back this receipt, turn to the stub corresponding to it, and enter the amount on that. Then, whenever I had leisure, I would take this stub and post that on the ledger,—the amount of the stub from this book. That was an agreement between Dr. Douglas and myself. I say previous to that I used to pay over the stub payments right along when I would make regular statements; but it led to difficulty. The trouble was to know just what subsequent payments had been paid over, so this receipt was devised, and the understanding was that this money was to remain in my hands until the close of the year,—until the man settled his account. Besides that, Dr. Douglas reports [them] in '68-9; and I think in some previous year—in '68-9 I now distinctly remember that he reports them.

Q. How could Dr. Douglas be aware of the fact that there were no sub-payments on forfeited accounts if he did not examine the ledger and did not examine this book that you have just referred to?

A. I say he did examine the ledger. It lay on the table, and he had free access to examine it at any time, and it was seldom that he brought a visitor

through the laboratory but that he would come and show him the books. That was a very common practice.

Q. Now state just what you mean by "sub-payments."

A. A sub-payment is a payment made after the student commences work,—after he makes his original deposit.

Q. It is another deposit after he makes the first?

A. Yes, sir. You can call it a deposit, but for the amount of money no tickets are issued,—no stubs similar to those in the stub-book.

Q. It was not usual for you to allow him to get in debt, was it?

A. Generally tried to keep the student's balance the other way.

Q. Did you make any deposit when you entered that department as a student?

A. When I first entered the department in '69 I made a deposit.

Q. Do the books show any such deposit?

A. If you will show me the ledger I will see.

Q. What year is it in?

A. In the latter part,—about the middle of October, '59.

Q. The voucher for that year is not to be found?

A. When I entered the laboratory in the year '60, I made no deposit.

Q. Your books show accounts which had no deposits?

A. Yes, sir.

Q. Do they show such accounts before you entered the laboratory?

A. Yes, sir. You mean as assistant? not a student, because there were no books previous.

Q. Do they show such accounts before you had charge of the books?

A. Yes, sir. If you will give me the ledger for '64-5. I turn to page 101 of '64-5, and I find Augustus James Brown has an account January 12, '65, of \$10.90. There is no evidence on the ledger that he ever paid anything, and I have no evidence.

Q. Do you pretend to show that such accounts have been entered upon the ledger both before and since that date, when you entered the laboratory department?

A. Yes, sir. If I would go through that same year I would find five or six similar to that in '64-5, and accounts of that kind occur every year.

Q. How did it occur that persons that had no deposits were allowed to run accounts in that laboratory?

A. They were persons that we were well acquainted with,—generally students that had taken a previous course in the laboratory, who had worked out a certain amount and settled up their account; we had become acquainted with him, and he wished to go on and do further work; and he would be allowed to do so. We trusted him: in other words, he did not have the money to make the deposit when he commenced work. Then there was another class of students,—literary students,—we would not be exacting of them and require them to make a deposit when they commenced work.

Q. You assume to give us the points on the stub-book which are included in the settlement between yourself and Dr. Douglas by certain marks which you say was a cross?

A. Yes, sir.

Q. Did you make those crosses?

A. No, sir; Dr. Douglas made those crosses.

Q. Did you never make them?

A. I never did.

Q. What other marks indicate the settlement?

A. Sometimes the date of settlement was written on the page.

Q. Did the student always return his ticket to you?

A. Yes, sir; that is, when it was returned at all, as I supposed.

Q. Did he always return it upon the day he settled with you?

A. No, sir.

Q. How could you settle with him without the ticket?

A. He would come up to settle. He wanted to settle his account; I would always take the money; he would come up to settle, and he had forgotten his deposit ticket,—he had left it in his trunk; sometimes it was the case that he had packed up his books to go home, and it was packed up, and he did not wish to unpack, and he said that as soon as he got home he would send it. That was not an unfrequent occurrence, that he would send it back when he got home. Then, when that was filled up, it was filled up with the date on which he made his payment on the ledger; when that paper was returned and filled out, it was filled out on the date on which the money was paid. I usually would instruct him, when he signed his ticket, to put the amount on the back of the ticket; to put in the date and amount, and sign it and send it to me. Sometimes he would not have it when he was at the laboratory, so he would drop it at the postoffice, and I would get it when it came, generally at the evening mail or next day.

Q. Can you find any tickets on the back of which you find the amount filled in by the student in his handwriting?

A. Yes, sir.

Q. I would like to see some of them.

A. Here is one, number 152, October 12, 1874.

Q. Is that your handwriting,—“June 30, \$32.95?”

A. No, sir. Here is another, number 339, in 1873. Some of them are where you find they put in the amount, and put in wrong, and I changed the amount.

Q. That is sufficient. How often did it occur in your settlement with Dr. Douglas that he had to pay you money?

A. It never occurred in which he had to pay me money.

Q. You say there was always a balance going to him every settlement?

A. I have no recollection of a settlement between Dr. Douglas and me in which there was no money coming from him.

Q. How often did you have to go to him for the purpose of getting money to pay for canceled tickets?

A. I never went to him during the whole ten years I was in the laboratory to get money to pay canceled tickets.

Q. Who usually paid the money out on canceled tickets?

A. I did always. I have sometimes gone to Dr. Prescott and Mr. Johnson to borrow money to pay back canceled tickets. I never went to Dr. Douglas, for the simple reason that when we made our settlement he at once left the laboratory and would scarcely ever come around during those early years except when we went to settle.

Q. Why didn't you go to him? You knew he had the laboratory money.

A. I could not find him.

Q. Wasn't he there certain hours of the time each day during the term?

A. No, sir; and it was hardly ever the case but what I had money of my own; and if I settled with Dr. Douglas, in probably an hour after that I would have

sufficient money to take up any canceled ticket that would be presented anyhow, from accounts that would be paid in or deposits made. Some man would settle up his account, so I had sufficient money of my own, and would draw on my own and pay it back.

Q. Can you give me the largest amount that was ever refunded to students upon canceled tickets in any one year during your connection with the laboratory?

A. I have a list of them which is in my room.

Q. Will you have the list brought?

[The list is produced.]

A. This list was made up running back only to '68-9. I will give you the amount of canceled tickets for each year.

Q. I ask you for the largest amount that is ever refunded in any one year.

A. In '68-9.

Q. What was that amount?

A. \$325.

Q. Is it a fact that in one year upwards of \$1,000 were refunded to students on canceled tickets?

A. I never found any such amount, sir. The stub-book don't show it.

Q. Students might demand and receive their money back from Dr. Douglas, might they not, and surrender their ticket to him?

A. They might demand it, but they would not be likely to get their money, for this reason: that Dr. Douglas was not aware that students had worked \$10 out or not, and so he would not pay the money back. He would not know but what the students might have worked it out.

Q. How much money was refunded in '73-4 upon canceled tickets?

A. \$290.

Q. Who paid that money back to students?

A. I did.

Q. What amount was refunded to students in '74-5 in canceled tickets?

A. \$275.

Q. By whom was that money paid back to students?

A. By myself; and I paid almost as much back to the students which had never passed into Dr. Douglas' hands as money which had been passed over to him. In other words, where the ticket was canceled between the time of their making their deposits and the time of settlement with Dr. Douglas,—for instance, in the year '69 I paid back \$95, in '69-70 \$75, in '70-1 \$80, in '71-2 \$145, in '72-3 \$70, in '73-4, \$90. This money was paid back to the students before it had ever been accounted to Dr. Douglas. It stands in our stub-books a canceled ticket without the letter D.

Q. When was this money paid back to students that is not accounted for in that way?

A. That has not the letter D?

Q. Yes.

A. For instance, a student makes his deposit, we will say to-day. It may be a month from now before it comes around for Dr. Douglas to settle. During this time the student concludes not to enter the laboratory, and he returns me this ticket and takes up his money, I draw a black line across the stub and tear up the ticket.

Q. Do you write anything on the stubs?

A. I sometimes write the word "canceled;" sometimes not.

By Mr. Taylor:

Q. If you had paid for the stubless and forfeited accounts in currency instead of by checks for the years '72-3 and '73-4, would you now have had any more evidence that you had in fact had paid those accounts than you had in these other years of which you speak, as showing an apparent balance against you?

A. No, sir; I would have no evidence of it whatever.

Q. Since you have been in the laboratory has Dr. Douglas ever paid back any deposits?

A. No, sir; not that I was ever aware of.

Q. Can you show that Dr. Douglas had been in the habit of receiving pay on stubless accounts? If so, show the time and the evidence thereof?

A. I take the year '67-8, and I have the account of Brainard, \$2.85; on page 140; Bowen, page 108, \$8.10; also, on page 29, \$11.95; making \$20.05; Nichol, page 73, \$2.65; Seymour, page 26, \$2.50. Those amount to \$30.05, together with the item \$14.20 for apparatus paid the same time, making \$40.25.

Q. How do you know you received that money?

A. I have a memorandum of it in a memorandum book which I kept at the laboratory at that time; and I take it from Dr. Douglas' report,—that he has reported the same amount.

DR. ROSE'S TESTIMONY CONTINUED.—FEB. 5, P. M.

Q. Please show the memoranda and the report.

A. You have there the memoranda corresponding with the schedule A, which I gave you the other day, apparatus and stubless accounts, amounting to \$44.25. For that year there also occurs forfeited accounts amounting to \$60; the \$60 added to the \$44.25 will make \$104.25; and I also find in Dr. Douglas' annual statement: "By forfeited certificates, \$104.25;" which, I presume, is the same account, although I am not able to say, positively, it is the same. It corresponds in amount to it.

Q. When were those entries made there in the memoranda?

A. Stubless accounts, do you mean?

Q. Yes.

A. At the time that was given to Dr. Douglas.

Q. Is this a book which was kept there at that time?

A. It is a book which I kept in the laboratory in the early part of the time I was there. I keep in it the account of diplomas given to certain parties, and also other memoranda, and it remained in the laboratory in the desk from the time I first went in there in '66 until after I was suspended in '75.

Q. Go on.

A. That is one of the evidences. If you will give me the ledger for '67-8. I also find in the same year the account of E. J. Weeks, \$5.80, written across the ledger page, "settled by Dr. Douglas."

Q. Was that a stubless account?

A. Yes, sir.

Q. Whose writing is that?

A. That is my writing,—“settled by Dr. Douglas,” as reported to me by Weeks or Dr. Douglas, I am not sure which; but it was done at the time. Now, in the year '68-9 I have the account of Semey, Jarvis and Goldsberry, which is part apparatus and part stubless accounts; that is, I have a memorandum in my memorandum book for that year, amounting to \$66.19. That is

the amount standing to their credit as per Schedule *A*, which I gave you the other day. That amount is reported in Dr. Douglas' annual statement for '68-9.

By Mr. Phelps:

Q. Is that all the stubless accounts for that year?

A. Yes, sir. I find in Dr. Douglas' report the amount of \$66.19 as sundries, which I take to be the same thing. If you will give me the pharmacy ledger for '68-9,—I find on page 87 the account of John S. Oakes, \$25. Immediately under the account which I give you of \$66.19, you find an account corresponding to Schedule *B*, which I gave you the other day, of \$26.05, which was not included in that which was paid by giving the draft of Oakes, which was reported again the next year as a protested draft.

Q. Was that report in Douglas' annual statement?

A. It is not reported in Dr. Douglas' annual statement.

Q. Who wrote this name, "Dr. Douglas," across there?

A. I did, sir. When I settled with him I wrote "paid" across the face of account, and wrote "Douglas" to show to whom it was paid.

Q. Did you write that at the time you settled with him?

A. I did.

Q. How do you account for these stubs being crossed and marked more or less besides the red line? Did you do that?

A. These blue marks?

Q. Yes.

A. No, sir; I didn't do that; and these figures in lead pencil are not my figures. By whom it was done I do not know.

Q. Were they there when they passed out of your hands?

A. They were not.

Q. When you did not draw a red line who did draw it?

A. Dr. Douglas.

Q. At the meeting of the Board of Regents in December, 1875, could [did?] not Dr. Douglas insist that he had never had the lost ticket, and did not your attorney, in the presence of the Board, show him the settlement ticket for that settlement for which the ticket was lost?

A. Yes, sir, that was the fact. A lost ticket which was mentioned here Saturday, of Beevy, the settlement was made on the morning of October 18, '75. Two days afterwards I returned the tickets, and I entered them in the book. When I returned the tickets a few days afterwards one ticket was lost, and after speaking to him twice, he denying that he had it; and even at the meeting of the Board of Regents in December, he then said he had been unable to find it. I find it reported by him in his annual settlement, '74-5, and the ticket now I suppose is in the proper package, it was in January, with the steward of the University.

Q. After the due-bill for Pantlind, Hubbard, and Thomas had been given, did Dr. Douglas ever after that, and before you furnished him the list you speak of, ask you to pay for the other names, or intimate that he expected you to pay any more?

A. He did not.

Q. Dr. Douglas says at one time you shed tears and asked his forgiveness; please state if any such conversation ever occurred.

A. No such conversation or action ever occurred. I never "begged his par-

don," or asked him to "keep it secret," or "shed any tears over it," no such transaction ever occurred.

Q. State whether or not at the time you paid Dr. Douglas this money, you knew that you had any other evidence, outside of the laboratory books that you had paid these accounts before that?

A. At that time I had forgotten how the payment was made, thought it was paid in currency; forgotten that I had paid him by check, and if it had been paid in currency I would have had no record.

Q. Did Dr. Douglas, at any time when you and he were examining the lists, or certifying to them, intimate to you that you would be charged with the amount mentioned in the list?

A. No, sir, he did not. There was nothing said whether that amount had reached the University or not. It had not been charged to anybody in particular as being to blame; had not even been mentioned that the money had not been returned. Further, I had not seen his annual statement to see how much he had returned.

Q. Did you, at any time during the looking up of these lists, ask to be permitted to see Dr. Douglas' statement, and were you refused?

A. I did ask to see them and was refused.

Q. Who refused you?

A. The Secretary of the Board of Regents, Mr. Bennett, in whose custody they were at the time.

Q. Did you ever demand to see them more than once?

A. I think only once.

Q. What time was that?

A. That was before the meeting of the Board of Regents in December, '75, after the matter had been made public in the papers, and before the meeting of the Board of Regents.

Q. State the conversation which took place.

A. I went to Bennett's house and asked him if I could be permitted to see those annual statements; and I am not sure but he said then he would see. I don't know as I received any decisive answer that evening, but he "would see about it;" and I think I did go to him the next morning, and he said he would have no authority to let me see them: I would have to wait until the Regents met.

Q. At the meeting of the Board of Regents in December, 1875, did you confront President Angell with the same statement in relation to the conversation with him about supplemental statements that you have sworn to before the committee?

A. I did.

Q. Who was present at that time?

A. There was a full Board, I think, except Regent Grant. I believe all the other members of the Board were there; the room was nearly full; Secretary Bennett was there, I know; how many more I could not say. There were not quite as many present as there are here to-day, but the room was quite well filled when the conversation came up in regard to it. President Angell stated it something nearly as he stated it here, and I told him that he was mistaken, and went on and stated how it did occur; and when I got through I turned to Mr. Bennett, who sat near, and said, "Is it not so, Mr. Bennett?" and he said it was; and then President Angell says, "Perhaps I am mistaken."

Q. What did you mean when you said "the total amount of receipts from all sources?" Do you mean by that the total amount as shown by the ledger?

A. The ledger, and also the apparatus which has been sold to outside parties; not only the chemicals and apparatus, and students working in the laboratory, but also apparatus to parties outside of the laboratory, who were not at work there. The apparatus sold to outside parties is not entered upon the ledger.

Q. Take that package of vouchers and find the wrapper which you claim was in the handwriting of Mr. Bennett?

A. This is the wrapper,—wrapper No. 8.

Q. What do those figures represent?

A. I suppose they represent the back of the tickets.

Q. In that package?

A. Yes, sir.

Q. Was Secretary Bennett ever in the habit of helping you in the laboratory in putting up your packages of tickets?

A. Never.

Q. How did he come to write those upon this wrapper?

A. I only know what Mr. Bennett told me. I can give you that.

Q. What did he tell you?

A. When we copied this list of this year, Mr. Bennett went over the tickets with me, and I took down the names and the dates and amounts; also a copy of the wrapper, the figures, etc. Looking at that I asked Mr. Bennett whose writing it was, and he said it was his, he thought; and I asked him how he came to make it, and he said that Dr. Douglas brought them there without any wrapper, he thought, and he enumerated them on the envelope, footing them up to see how much it was. It was done after the tickets were brought to Bennett's office.

Q. Who was present at the time of this conversation?

A. No one except Bennett and myself.

Q. You are certain that those figures are not yours?

A. They are not my figures; no, sir.

Q. Were you always in the habit of making wrappers and figuring up the amount contained upon those certificates?

A. In the habit of doing that usually, do you mean?

Q. Yes.

A. Not as a general rule, by any means. In '73-4, I think part of '72-3, and I think some of '74-5, were done in the same way. As I said the other day, I would make up a package and put the wrapper on it.

Q. These wrappers, I understand, aside from this one and one in the handwriting of Dr. Douglas, which you claimed was an actual settlement, are all in your handwriting?

A. There is one that is part in Dr. Douglas' and part in mine.

Q. Then in these years you followed the plan of entering the amount on the wrappers and doing the package up in that way?

A. Usually before the time of the settlement; that is, I would put them up in packages,—whatever tickets happened to come in after that; or if I would omit any in the drawer that happened to be there and not in the package, those would be put in at the time of the settlement without regard to the package.

Q. How did you come to omit these two packages and not do them up on the wrapper which was usually with you as his own by the rest of these packages during that year? This package and another one have not wrappers in your handwriting.

A. Those are not done up in packages, I suppose, at all; those were tickets loose that were settled in the ordinary way: they were all loose in the drawer. they were simply taken out, and the amount called over. 'As I would call over the amount I would set it down on a piece of paper. That would be the ordinary settlement ticket.

By Mr. Kelley:

Q. Will you show the committee where you have accounted for the account of Jenks and Howell in the year '69-70?

A. You will find among the tickets for 1870-1, I think,—it occurs in the package of '70-1,—a ticket number 300, made out July—I don't remember the date in July—if you will give me the stub-book I guess I can find it from that. Ticket number 300, apparatus and old accounts, it does not give the day of the month. It is July, 1870. It is made up of the following accounts: Apparatus \$1.45; Howell, \$6.20; Roe, \$4.20; McKimmy, \$10; Winslow, \$0.45; Jenks, \$3.80: making \$26.10; and a ticket will be found with the vouchers for '70-1. Howell and Roe are stubless accounts. I don't know but they all are. Jenks, Winslow, and McKinny are payments on forfeited accounts. Roe and Howell are stubless accounts, otherwise than that they were all put in together,—put into one package.

Q. Is it not a fact that H. B. Jenks has an account in 1869-70 without stub amounting to \$13.80?

A. No; that is not true. There is a stub for it, number 273, March 5, 1869.

Q. Can you find that account on the ledger?

A. I guess I can, sir. Let me have the ledger for '69-70. I have found it.

Q. What is the amount of it on the ledger?

A. \$13.80.

Q. What is that written across the stub?

A. It was a man who failed to graduate, and it was put on there: "set up," or "let up."

Q. Did you write it?

A. It is in my handwriting.

Q. Where did you account for the \$3.80?

A. I accounted for that on the ticket for apparatus on those accounts. It is counted in there.

Q. In '70-71 how many dollars did you account for to Dr. Douglas upon stubless accounts?

A. I have no record of '70-71. I have no doubt but that I accounted for the whole of them. I have no record of them. It was paid in currency. I have no record of any returned as yet.

Q. Can you find any stub corresponding to the account of Harris, on page 239, of '70-1?

A. I should judge not, by the looks of it?

Q. Had Harris ever been in the laboratory department prior to that?

A. I should have to run back over the year to see.

Q. Answer from your recollection.

A. I don't remember the man at all.

Q. Is it not a fact that there are six other accounts in that year that have no stubs,—students had never taken a course in the laboratory department,—the year '70-1?

A. There are stubless accounts for that year amounting to \$101.

Q. Can you give the names?

A. Yes, sir.

Q. Please give them.

A. H. I. Armstrong, page 20, \$13; Collins, pharmacy, \$5.15; Goodall, page 37, \$18.85; Harris, page 239, \$15.60; Pratt, page 68, \$5.30; Uran, page 304, \$3.20; Van Buren, page 374, \$9.30; Wilson, page 43, \$11.15; he has a pharmacy page also, \$15.45. That is all. They foot up \$101.

Q. Can you find an account on the ledger for '70-1 of a student by the name of B. F. Uran?

A. I think I will find it in '69-70. I think that is his second year; that is my recollection of it. In '69-70 he has an account on page 162, \$12.75.

Q. Has he not an account in '70-1?

A. Only this one on page 304.

Q. Is there any stub to that?

A. No, sir.

Q. How do you account for that?

A. He was a student who had been there the year before, and we were well acquainted with him, and we let him go to work without having a deposit.

Q. You have not paid that money over to Dr. Douglas?

A. I presume I have in the annual settlement.

Q. What makes you think so?

A. Because it was the custom to pay it over at the accounting at the end of year.

Q. On page 374 M. F. Van Buren has an account?

A. All right, sir.

Q. That account has no stub,—has it?

A. No, sir; it has not.

Q. How much is it?

A. \$9.30.

Q. Have you anything to indicate that the money represented by that account has ever been passed over to Dr. Douglas?

A. Nothing more than it was the usual custom.

Q. In what settlement would those accounts be settled for?

A. During the last of June or the first of July at the annual settlement, whenever it occurred,—sometimes the last of June, just before commencement; sometimes just after commencement.

Q. Can you give the amount of money paid over to Dr. Douglas at that settlement?

A. No, sir; I cannot. It was paid in currency, and I have no record of it whatever.

Q. No memorandum of it?

A. No memorandum of it so far as I am able to find.

Q. Is there anything to indicate upon the face of the ledger that the account has ever been settled?

A. Nothing more than it is brought down to the bottom; that is all I know about it. I have no doubt but that the money was paid.

Q. It was paid to you in the first place?

A. It undoubtedly was.

Q. Is that the condition of all the accounts of '70-1 that have no stubs?

A. Yes, sir.

Q. Is it not a fact that upon the ledger for '71-2 there appear 10 stubless accounts, amounting in all to \$65.25?

A. There are more than that.

Q. Let us see you find them.

A. S. G. Banks paid \$1.89, \$2.75; G. S. Cook paid \$3.79, \$6.90; pharmacy ledger, \$28.85; Gundrum, pharmacy ledger, \$22.65.

Q. Has not Gundrum a stub for one account in that year.

A. Yes, sir; he has, page 224, an account of \$21.85. He made a deposit the 28th of November, '71, ticket number 161, \$10; May 18 he paid \$11.85.

Q. Did he pay up his account in full?

A. He paid that account in full. He also at the same time made a deposit of \$13.15 on another account, a credit account which went directly on the ledger; —\$13.15. On the pharmacy ledger he has an account of \$22.65. On June 14 he settled that up and paid \$9.50 more, making \$22.65. The \$22.65 I take to be a stubless account.

Q. How much of that account is delinquent?

A. To the University?

Q. Yes.

A. The whole of it; both accounts.

Q. How much of it is delinquent between Dr. Douglas and yourself?

A. None of it.

Q. Don't the books show that there is a part of that account now paid?

A. I think not. I think the accounts are settled as between me and the student. I will turn to the ledger page and see.

Q. Has not Herdman an account on the ledger for which there is no stub? Page 128 of the ledger of '71-2.

A. He has an account there of \$6.25.

Q. He never had a stub,—had he?

A. No, sir.

Q. Was he a literary student?

A. I think so.

Q. You have no reason to think that you have paid Dr. Douglas that money, have you?

A. That account was paid February 16, 1875.

Q. To whom?

A. Paid to me; so it could not have come into that year's accounts. It was not paid until February 16, 1875.

Q. How did it happen it was so long after it was contracted before it was paid?

A. He didn't come around for the money.

Q. Did he remain here all the time?

A. I think not.

Q. Do you recollect anything about receiving those notes?

A. I think I do; I think that was contracted while he was a literary student, and he went off without paying it. He came back and entered the University as a medical student; took a different course in the University.

Q. In what year?

A. In 1875.

Q. Can you find any such name in any other year since that time?

A. Yes, sir; I am certain he has been in the University since. I am certain he had another account since that.

Q. Can you tell how much money you turned over to Dr. Douglas for that year?

A. I cannot; it was all paid in currency.

Q. How do you know that you paid any of those items on stubless accounts that never had a stub?

A. For the reason that at the end of every year I settled up with him and paid him all moneys I ever received, and paid him over in currency at the time.

Q. How much salary were you getting in '71-2?

A. \$1,000 a year.

Q. Did you live here in the city?

A. Yes, sir.

Q. How much family have you got?

A. I would have to hunt up the records to see. I think I had two children then, or three; I am not certain.

Q. Did you have any other means or resources except your salary?

A. Yes, sir.

Q. To how great an extent?

A. I can give you my income for every year since I went into the laboratory.

Q. I am speaking now of this year, or about the time. I don't ask for particulars, but the amount outside of your salary.

A. I will give you the amount. In '1871-2 my income was \$2,537.

Q. Where did you get the other \$1,537?

A. I got \$1,000 from the University; I got \$200 from the Union School; took in from boarders \$962; for pension \$204; analytical work \$75; private students \$96, making in all \$2,537.

Q. What did it cost you to live that year? What were your expenses?

A. If I remember rightly that is the first year we kept boarders, and Mrs. Rose took charge of the expenses of the house, and received the money from boarders, and paid all expenses of running the house, hired girl, even to furnishing the wood; and when she got through we had some \$33 left. That was for the nine months.

Q. Did you own a house and lot here at the time?

A. I did.

Q. Did you make any improvements upon it that year?

A. I think it was the year previous I made improvements on it.

Q. Did you buy this property after you went into the laboratory department as an assistant?

A. I bought a lot the same spring, and built the house, that I went into the laboratory; and then I traded that house and lot for the one I now own.

Q. Did you make pleasure trips during the summer?

A. I did not.

Q. Did you go away in the summer of '71-2?

A. I could not tell you exactly whether it was '71-2. During those 10 years I went once to Ohio, some forty miles from Cleveland, and once out here in the neighborhood of Niles, Michigan. Those are the only pleasure trips I have taken since I have been connected with the University.

Q. Have you invested money outside of your house and lot during those 10 years?

A. I have.

Q. How much?

A. I invested \$100 in the Toledo & Ann Arbor railroad! I did that at Dr. Douglas' solicitation!

Q. What other money?

A. I invested \$400 in silver stock.

Q. Silver Islet?

A. No; California.

Q. Did you ever receive any income from that?

A. No, sir.

Q. Made any other investments?

A. Yes, sir; I invested money in plaster stock.

Q. Where?

A. In this State.

Q. How much?

A. \$1,700.

Q. Whereabouts?

A. North of Grand Rapids.

Q. Where did you get that money from?

A. From my earnings.

Q. In what year did you invest it?

A. Not all in one year; running through three years, I think.

Q. What years?

A. '74-5, '73-4, and '72-3, I think.

Q. Who induced you to make that investment? at whose suggestion? who knew of it here?

A. There were a number knew of that; it was no secret so far as I was concerned.

Q. Did you ever tell anybody of it?

A. Yes, sir.

Q. Who was it?

A. I have told Mr. Sutherland, Mr. Wheaton, Mr. Tremaine (the druggist across the corner here). I think I remember of speaking of it in his store. I told—I don't know who all.

Q. Anybody else here invest in the same enterprise?

A. Yes, sir.

Q. Who?

A. I think Mr. Wheaton has an interest in it, Mr. White, that lived here, did have.

Q. What Mr. White?

A. I don't know his initials.

Q. What is his business?

A. He was selling the stock at the time he lived here.

Q. Ever received any dividends from that investment?

A. I have not, as yet.

Q. Do you still hold it?

A. I do, sir.

Q. Can you tell about the amount that you invested in that enterprise, and the different times?

A. \$800 of that has only been paid within the past two months.

Q. In about what amounts did you pay the other?

A. Ranging from \$200 to \$250 or \$300.

Q. I understood you to say that you received a pension of \$200?

A. \$204 until the past two years. It is now \$288.

Q. The profits from your boarders defrayed the expenses of the house?

A. It did. There was only the one year that Mrs. Rose kept any account of it.

Q. You had your salary?

A. I had my salary and my other income outside of that. This extra work I would do in the way of analysis for parties that would come in.

Q. Did you keep your money separate from the University money?

A. I did not, sir.

Q. How did you know when you were using your money or the laboratory money?

A. When I came to the end of the year I would take the laboratory money and pay it all up, whether it came out of my money or the balance of the accounts.

Q. You gave us the other day the amount that was received into the laboratory for each year. Can you give us the amount that you have paid over to Dr. Douglas each year for which you have any manner of receipts?

A. I gave you that the other day as I went along.

Q. Have you made any other investments except the plaster investments?

A. Yes, sir; I made an investment of a pew in the Methodist church.

Q. How much did that cost you?

A. \$425.

Q. When did you buy that?

A. Originally, I think, some 10 years ago.

Q. Paid for it when you bought it?

A. No, sir.

Q. Paid for it yet?

A. I have got it all paid for now.

Q. Have you made any other investment?

A. I have not.

Q. Do you usually keep a bank account?

A. For three years I think I have.

Q. Which years?

A. The fiscal year of '72-3, the fiscal year of '73-4, '74-5, and '75-6. I have, in fact, since '72-3.

Q. You say you served in the army?

A. Yes, sir.

Q. When these parties on the list were brought to you that you say you had paid before, why didn't you say so then?

A. What parties do you refer to?

Q. When they came with the four names.

A. When he first brought the names he did not demand payment. That was on the 18th of October.

Q. He did afterwards?

A. Yes, sir; and I told him they had been paid; refused to pay.

Q. After that list was paid up, amounting to some \$600 or \$800, did you know that you had paid it once?

A. Yes, sir.

Q. Why didn't you say so then?

A. I did say so.

Q. What made you pay it?

A. I didn't know any other way to get at it. I supposed it was paid in currency, and if so I would have no record showing it.

Q. When did that memorandum book first come to light?

A. I remember this circumstance. I was standing by the window and running the thing over in my mind to see whether I could bring it up, and finally I came to the conclusion that as I could not call to memory how it was paid, that if I did not pay it, I most likely should be thrown out of the laboratory.

Q. When did you first find you had that book?

A. I knew I had that book in the laboratory there, but I did not know how much there was in it.

Q. Did you know you had those checks?

A. No, sir. I had forgotten at that time whether they had been paid in currency or by check.

Q. When did you first find those checks?

A. I knew I had paid him some by check, but forgot what time,—did not know what dates. I had not even gone so far as to look them up.

Q. When did you first find you had the checks?

A. That was the same evening as the meeting of the Board of Regents in December.

Q. Why didn't you present those checks then, or say you had them?

A. Because I thought from the manner in which they treated me the object was not to get proof of it, but simply to make me shoulder it.

Q. What made you think that?

A. From the manner in which they acted.

Q. What did they do?

A. In the first place they did not say that anyone was to blame, or that the money was actually missing, until it came out in the papers charging me as a defaulter. I found they had deceived me all the way through.

Q. Whom did you first tell about this trouble,—the \$600 or \$800 that you first settled for?

A. I told Mr. Sutherland when he took the acknowledgment of the mortgage.

Q. Told him you had paid it then?

A. Yes, sir.

Q. Did you tell anybody else of it?

A. I think not until after it came out in the papers charging me as a defaulter.

Q. Whom did you tell of it then?

A. My recollection is that I told Dr. Cocker of it.

Q. Ought you not to have been charged with all accounts found on the ledger for which there never was a stub?

A. No, sir.

Q. Why not. Can you produce any satisfactory evidence that it has ever gone out of your hands, outside of your own statement?

A. I think I furnished absolute proof for '72-3, '73-4, '74-5, and for the year up to '70-1. There are two years, '70-1 and '71-2, that I have no data for.

Q. There are 15 accounts in '73-4 that never had any stubs,—are there not?

A. I would have to look and see. There are \$554.30 that year that have no stubs to represent them.

By Mr. Newcomb:

Q. Did I understand you to say this forenoon that the forfeited moneys were added to the report of '73-4 after October, '75?

A. You mean the amounts that were reported by Dr. Douglas?

Q. Yes.

A. The moneys, as I understood, paid over to Dr. Douglas,—that they were inserted in Dr. Douglas' report of '73-4 after October, '75.

A. I think you misunderstood me. I said at the end of every year I gave Dr. Douglas the amount of forfeited accounts, the deposits, and the sub-payments on those accounts; that Dr. Douglas has not reported any forfeited moneys since '68-9 until he reported it in his report for '74-5, which report was not handed in until about January, '76.

Q. It was not added to the reports of '73-4, but put into the report of '74-5?

A. Yes, sir.

Q. Did we understand you to say that there were some vouchers passed to Douglas for which the red line did not appear upon the stub?

A. There are such.

Q. What evidence have you of that fact?

A. I simply found it in going over the amount for this year. I think I can turn to the accounts in a few moments and show them to you. I don't remember just what they are. I find in the year '73-4, the account of Sherman, page 335, \$9.80. The ticket is with the steward, and the stub is not red-lined. Also, the account of G. B. Sanford, page 308, same year, of \$8.80. The ticket is with the steward of the University and the stub is not red-lined. For the same year, of E. A. Shaw, page 359, \$9.95; the ticket is with the steward and the stub not red-lined.

Q. What evidence have you to show that you paid the money over that those vouchers called for, more than that?

A. Nothing more than if they were there.

Q. They are among the vouchers here that we have?

A. Yes, sir; and I stated further, that on each of these accounts there was money returned to the student,—on the one \$0.20, on another \$1.20, and on the other \$1.05, returned to the students at the time they settled their tickets.

Q. There are some vouchers with the stubs that have not the *D* upon them?

A. Yes, sir.

Q. How do you account for those?

A. I account for that in this way: That Dr. Douglas, in going over and putting his *D* upon that, turned the two leaves at once, or signed one and omitted to sign the other, not noticing it. That was not an unfrequent mistake. Frequently I would go over the stubs after him to see that he put his *D* upon all of them. It would frequently be the case that some of them would be omitted, and I would take the stub-book back to him and he would put it on afterwards. I think in our settlement before I was suspended, that very thing occurred, in which there were three stubs settled. I paid him the money, he went to the room afterwards, and looking over that stub-book I discovered he had not signed the stubs. I took the stub-book to him and he signed it.

Q. We understood you to say there were ledger accounts, or what you call "stubless" accounts, every year?

A. Yes, sir.

Q. Did Dr. Douglas expect moneys from such accounts every year?

A. He certainly must.

Q. Did Dr. Douglas examine the ledger at the final settlement every year?

A. I could not say that he did at every settlement.

Q. Was that his usual practice?

A. The ledger almost always lay there on my desk; it was usually on my

desk from the time the laboratory opened until it closed, and frequently he would take the ledger up and turn through it,—come around p. 798 at any time and frequently do that. These ledger accounts I may say were taken off and given to him in bulk,—not given to him item by item, but they were given to him in bulk.

By Mr. Taylor:

Q. Should not every stub have the letter *D*, unless the black line was upon it?

A. It certainly should, sir.

By Mr. Newcomb:

Q. Did Dr. Douglas ever call your attention to certain accounts where the students had run in debt on those accounts, and request you to urge them to pay up?

A. There were some of that kind, where I turned the whole account over to him; and after a time he succeeded in getting the money on them, so reported to me, and credit was given on the books. For instance, I will turn to the ledger of '67-8, account of Isgrig, in which there is a balance of \$47.80. This man's account we had trouble in getting, and I turned the whole account over to Dr. Douglas to do with it what he could. In '67-8 he succeeded in getting the money on it, and he reported it in '68-9. There is another account of that same kind, of Pomeroy, in which Dr. Douglas receipts right on the ledger, on the man's account. If you will give me the ledger I can show you.

By Mr. Taylor:

Q. Is that a "stubless" account?

A. It is one of the "forfeited" accounts. That is what he was asking in regard to. I find on page 18, Pomeroy, an account of \$45 debtor, and a credit account of \$10; and in September again he paid \$30, and Dr. Douglas has receipted on the page for \$30. The other is covered by the stub.

By Mr. Newcomb:

Q. Did the doctor ever examine the stub-book and request you to call students' attention to their accounts?

A. I don't think any such transaction ever occurred. It was generally my practice to keep pretty good watch of the students to see that they did not go away without paying their accounts.

Q. In speaking of the settlements of '73-4 you mention eight accounts having been settled, the amounts not appearing on the wrappers; what evidence have you that you paid Dr. Douglas the money on those eight? I think there were two in two settlements each, and four in another.

A. These two occurred on the March 18th settlement. They do not occur upon the wrappers, for the reason I said before.

Q. Have you any other reason for believing that you paid the money to him, or any other evidence?

A. The stubs are red-lined. These wrappers are not settlement tickets.

Q. Are there any vouchers in the package for these two tickets?

A. No, sir; they are what are termed "missing tickets."

Q. You have no evidence any further than the red line;

A. That is all. I had not the amount at that time. The balance at that settlement was \$287.80, which was paid him undoubtedly in currency, and then in the final settlement,—what there was of them are included in the final settlement for that year.

Q. Four, I think you stated the other day?

A. Yes, sir; I think the balance of them.

Q. Look and see if you have any evidence that that money was paid to Dr. Douglas?

A. That it occurred in the final settlement I have evidence, because all the tickets that came in from the settlement previous to the day of the final settlement,—which in that year was on June 26th,—all the tickets that came in since the settlement previous to that, and those missing tickets that came in at that time (which tickets are missing now), and all the ledger accounts, the stubless accounts, and the sub-payments on the forfeit accounts were in that settlement of that date, and made up the amount of the check, \$1,290, and the 18 cents. In that settlement I have evidence of the actual amount which was paid to him.

Q. I would ask if you had any means or moneys when you first were engaged as assistant?

A. I had about \$2,400 or \$2,500. I can give you the exact amount if you wish it.

Q. You stated that you knew that Dr. Douglas wrote the name “Douglas” on stub 44—I believe it is?

A. Yes, sir; it was done in my presence.

Q. Have you a distinct recollection?

A. The letters *D* were always made in my presence. He would sometimes write his name that way in full, either commencing the settlement or closing it.

Q. Do you remember that particular one?

A. No; I have no reason to say I do that particular one more than any other particular one. Those were always made in my presence, and usually I stood back by him with the blotter, and as he would write his name I would put the blotter on.

By Mr. Taylor:

Q. Did Dr. Douglas report in the year '76 for forfeited moneys for the years '69-70, '70-1, '71-2, '72-3, and '73-4?

A. It occurs in his report for '74-5; if [but?] that report was not in the hands of the steward until after January '76, I understand.

[Question repeated.]

A. That was my understanding,—that the report was not in for that year until '76.

Q. Do you *know* anything about it?

A. Yes, sir. I asked Bennett, when I copied the balance of the report for '74-5,—I wanted to copy that also, and Bennett told me he hadn't it, and this was in January '76, and it was not until February that I got a chance to copy it.

Q. Did Dr. Douglas ever report the forfeits for '69-70, '70-1, '71-2?

A. I think I gave you the years that he had not reported,—'69-70, '70-1, '71-2 are not reported as yet; a part of '72-3 is not reported, and a part of '73-4, and a part of '68-9.

Q. What I want to know is this: did Dr. Douglas report these forfeited moneys in '76 for these years which I have named?

A. In his report, which is dated '74-5; but which, as I understand, was not handed in until after January, 1876. In that he has forfeit deposits—simply the deposit and no more—for '73-4, and for '74-5, and '72-3 also. He reports

simply the face of the stub,—none of the sub-payments on them. These reports are not handed in until after January, '76.

Q. State how you knew it?

A. The Regents gave me permission to copy any of those books and papers. After copying '73-4, the vouchers done up in wrappers, I next went to work to copy Dr. Douglas' annual statements. I copied the years '68-9, '69-70, 70-1, '71-2, '72-3, '73-4, and then I wanted '74-5. The steward of the University, in whose possession these documents are kept, told me he didn't have it. The first time I spoke to him he told me it had not been handed in. This was in January, and I think I did not get possession of it until February. I don't know but I made a date on [it?] when I did first get a chance at it.

Q. That is the report you have reference to?

A. No, sir; *this* is the report I had reference to. I didn't know but I might have a memorandum on my copy, but I do not see one.

Q. What is the amount of the report?

A. The amount of the report is \$280.

Q. How much of a mortgage is on your house and lot, and how long has it been on?

A. There has been a mortgage on it ever since I owned it.

Q. How much?

A. There was a mortgage on it when I came into possession of it,—\$2,000,—just the same as it is now.

Q. Have you examined these packages of wrappers to see whether they are genuine settlements, or the wrappers which you speak of for your convenience?

A. Only very slightly, sir. These are the wrappers found loose; "wrappers corresponding with the report of '69-70; not complete." That one certainly is not; there is nothing on it. This one has a sum in long division; it is certainly not a settlement. We never settled in that way. That one simply has an enumeration of figures without any additions or deductions. It is not a settlement ticket.

Q. Whose handwriting is that?

A. Dr. Douglas'.

Q. How did he come to make such a lot of figures as that if it is not a genuine settlement?

A. I presume when he made up his account for the year he took his vouchers and set them down on this piece of paper, and footed them up, and put this around that number of tickets and sealed them up. Another thing; he never had any wafers like that over at the laboratory since I have been there that I know of.

Q. What did you use at the laboratory for sealing packages?

A. Didn't seal them at all.

Q. Use pins?

A. Used pins usually, or tied a string around them,—usually pinned the wrappers together. This one is an enumeration of figures, or something added here and then afterwards crossed off.

Q. Whose handwriting is it in?

A. Dr. Douglas'.

Q. Is it a settlement?

A. I should say it did not bear the evidence of it. There is no check mark on it; it has never been checked with anything.

Q. Whose handwriting was that in?

A. This is my handwriting.

Q. Is that a genuine settlement?

A. This has more the appearance of being a genuine settlement than any of the others.

Q. That has wafers on it?

A. Yes, sir; they were not put on at the laboratory, however.

Q. Is this one a genuine settlement?

A. It is not, sir.

Q. Who checked that off?

A. I should judge it was done by Bennett or the committees. We never had any blue pencil over there. It was not done at the laboratory.

Q. Was not that checking in black pencil done at the settlement?

A. As far as that is concerned, that has more the appearance of it, but the balance of it does not correspond with a genuine settlement.

[The wrapper in Dr. Rose's handwriting is marked "Exhibit P."]

Q. Look at the wrappers marked "correspondence with the year '70-1 complete." That first one a genuine settlement?

[Answer prevented by an interruption.]

Q. There are some members of the committee who do not understand about this "forfeit" money that was accrued in the year '69-70, and from that time to '73-4, and was reported in the year '74-5, and not filed until '76. You will please explain that once more to the committee.

A. I said that Dr. Douglas did not report any of it for those years, except the face of the deposit for '72-3 and '73-4. He reported those two years the face of the deposits,—a portion of them in '74-5. In his report for '75-6 he puts in those forfeits for '74-5.

Q. That only, and not for the years before?

A. No, sir. The other years previous to that—they are not reported yet. The years '71-2, '70-1, '69-70 are not reported at all.

By Mr. Newcomb:

Q. I notice in the report here of '71-2 that Dr. Douglas has from "sundry placed [persons?]" \$1,953.59; have you any evidence that that does not include these accounts?

A. I have no evidence,—what accounts do you wish?

Q. These delinquent accounts for that year.

A. If you figure up the amount of certificates which you have turned over for that year, the amount which he has returned there will not amount to any more than these certificates,—even that \$1,900. Take the whole which he returned as "sundry persons"—by his reporting them as "sundry persons"—it would be impossible for them [me?] to tell whom they were intended for.

By Mr. Taylor:

Q. What do you mean by that when you say "they were trying to entrap you," and therefore you did not show those tickets to the Board? Whom do you mean by "they?"

A. I mean that first committee that was appointed,—that first went over the accounts,—President Angell, Dr. Douglas, Mr. Bennett, and Mr. Knight.

Q. But in the last clause why did you use the words, "you would not show them to the Board?"

A. I would say here that I did not have a great deal of faith in them.

Q. What led you to think that they, the Board, would not treat you fairly? Please answer it.

A. Well, sir, the reason was just this: I did not think, when I came to look back over the thing, that they obtained that deed of my property honestly. I thought they had done it in an underhanded way. Those are the simple facts of the case.

Q. When they obtained that deed to your property, did they use any threatening language to you,—any harsh language?

A. No, sir; I think there were no threats or anything of the kind. There was nothing said that anybody was to blame, or anything of that kind.

Q. What members of the Board had you seen at that time?

A. I had only seen the two members that obtained the deed from me.

Q. Who were they?

A. Mr. Walker and Mr. McGowan.

Q. Do you mean to say that the other members did not treat you fairly,—those you had not seen?

A. I had no reason to suppose so at that time,—but that they would be honest and fair.

Q. Then, in your statement, you make too broad an assertion: you speak of them, and refer to the Board?

A. Perhaps that had better be qualified in that respect. I made a proposition to the Board at that time, if I remember rightly, or at least made this suggestion: to refer it to arbitrators,—to come to a decision in that way,—to disinterested parties.

Q. You made that proposition to them?

A. I did.

Q. To whom?

A. It was read before the whole Board. They did not accept of it.

Q. Have you seen anything since that made you think that any members of the Board would treat you in the same manner?

A. I don't know whether I had better answer that question.

Q. You had better answer it, if you have seen anything. We want to find the "bottom facts" in this thing. We want to know what your views have been.

A. The facts are before this committee, and they are before the public. Every one can have his own opinion, but my opinion was, that when I offered to go before the committee of which Mr. Climie and Mr. S. Walker were members,—offered to go before them and have them examine my facts,—they did not want to pass upon them and examine them, and see what they were, but they said they had nothing to do with me; they would not examine me at all. When the other committee came up and we went in there the first day or the second day, we made them proposition after proposition to leave it to arbitrators,—to leave it to them if they would make it final.

Q. State the different propositions that you made to them at that time?

A. I don't know that I can state all of them.

Q. Were they made in writing?

A. Some of them were; others were made verbally. I don't think they had any doubt but that we made them in good faith. We made every proposition a man could make but to give them a piece of white paper and let them write their own conditions. I think we made every proposition that a man could

make except that, and they refused. Then I withdrew, and I think I had good reasons to withdraw.

Q. Did you not offer to go before the full Board and show them everything?

A. Yes, sir; even went so far, if they would send for the balance of the Board of Regents, we would pay the expenses of getting them here and for their time while they were here, to constitute an examining committee and decide upon the matter.

Q. Is it not the truth that for the year '69-70, '70-1, '71-2, '72-3, '73-4, Dr. Douglas in his reports for those years did not report the forfeited accounts, but that in his report for '74-5, which was handed in after this trouble commenced, he does report a portion of the forfeited accounts for back years in which he had failed to report?

A. I have so stated that was the fact. He does not report anything until '69-70, '70-1, '71-2,—not in his report for '72-3 nor '73-4; but when he makes his report for '74-5 he includes in that '72-3 and '73-4; but this report was not handed in until after this difficulty commenced.

Q. Did not the committee ask you to join in arbitration or amicable suit, and did you not refuse?

A. When?

Q. In 1875.

A. Not that I am aware of, sir. I never heard of it as I know of.

Q. Did you believe that they would treat you unfairly?

A. Which committee do you refer to?

Q. The committee that met in June,—McGowan, Estabrook, and Grant.

A. When they refused to accept any proposition to make it final, arbitrate it if they would do it themselves to make it final, I thought there was something back of that,—that they did not intend to [act?] like honest men.

Q. Did you expect that the whole Board could be got here to hear the case?

A. I did not see any reason why they could not.

Q. Was it not a fact that they could not have got here, and were not here, all of them, at the meeting, as it was?

A. They were not here at that meeting, but they could have been here before that time. Had this meeting occurred two weeks earlier, at the time this proposition was put in,—the first of June,—I think probably at that time they might have been secured. If they could not have been secured, then it might have been put off.

Q. Why did you not make that proposition in December, when the Board was here?

A. If you have my statement which I read before that Board, I think I can refer you to it in that way. It was read before them in the December meeting.

Q. Why did you not offer to submit it before the whole Board in March?

A. I did not know but that the committee which was appointed would perhaps go on and accept that, and decide the whole matter.

Q. Was that the "Climie" committee that you mean now?

A. Yes, sir. I understood there was a proposition awaiting the executive committee at any time.

[The letters heretofore referred to written by Regent Cutcheon to President Angell, Regent Estabrook, and Regent Grant, are here read in evidence, and marked "Exhibit Q."]

Mr. Rose—Here is the statement which I presented to the Board at the December meeting in 1875,—page 489.

By Mr. Taylor:

Q. Did not Mr. Beal state in the March meeting that he was ready to put your case before any committee of the Board, and were you not present?

A. I don't remember what his statements were, I am sure.

Q. Did you make any propositions before the June committee not stated in their report? and if so, what?

A. I have not read their report, and I do not know what they have in it. I never read it through.

Q. State the propositions again which he made.

A. I shall have to look them up and see. I say we gave them about everything except giving them a blank piece of paper and letting them write their own propositions. One was to leave it to arbitrators; another was to leave it to themselves; and another was to leave it to the full Board of Regents; and another was to give them a bond to everything they might find, and send it to the courts at once. I don't know whether that was all or not.

Q. Were those propositions which you have just mentioned made in writing?

A. There was one in writing. I think that referred probably to the bond. I rather think a bond accompanied it.

Q. Did you ever ask permission to report to any of the officers of the University other than Dr. Douglas, [either] the amount of money you had received and disbursed or the amount you had paid over to Dr. Douglas?

A. No, sir; I did not suppose I was authorized to report to anybody else.

Q. Answer the question: Have you asked permission?

A. No, sir.

Q. Did you make such a statement to the Board in December, '75? What did you mean by that statement?

A. I had never been required to report to any other officer, and as I understood it I would not be permitted to report to any other without losing my situation, as my predecessor had before me, as I understood it.

Q. Did your attorney offer the McGowan committee to give them a blank paper and let them write their own conditions, only so that their action should be final?

A. I don't know but he did?

Q. Do you know as he did?

A. I don't know as he did. I don't know for certain. I know it was talked of between him and myself. Such a proposition was talked of.

Q. What was the reply to it?

A. If it was presented it was when I was not present. I left one forenoon. My attorney was in frequently after that. I think I was not present.

Q. Were you ever denied the opportunity to examine the annual reports of Dr. Douglas?

A. I was, sir.

Q. When and by whom?

A. That was denied me by Mr. Bennett, the Secretary of the Board.

Q. Have you not been permitted at all times to examine all the books and papers in the office of the Secretary of the Board?

A. Since the December meeting of '75 until last June.

Q. Since then you have been denied?

A. Since the June meeting,—the committee composed of McGowan, Grant, and Estabrook,—I have been denied.

Q. By whom?

A. By the order of the Board.

Q. Who gave them the order?

A. If you will give me a copy of the proceedings I think I can find it. Here it is: "*Resolved*, That the resolution passed by the Board of Regents at the last December meeting permitting Mr. Rose to make copies of the records of the Board, be and is hereby rescinded and made void." On page 501 the original resolution is found, and reads: "*Resolved*, That the Secretary of this Board be requested to permit Dr. Rose to make any copies of the records of the Board that he may wish, under the supervision of the Secretary." That resolution was rescinded at the June meeting. After July 4th I sent the gentlemen whom I employed as accountant, with two other persons, to demand the privilege of seeing those books. They examined a certain amount, and they were refused. Mr. Briggs was one of the accountants.

Q. Didn't you go to the Secretary and ask to be permitted to examine as to the red lines before the committee reported, and were you not refused? and by whom?

A. I was refused by Regent Grant and Regent McGowan at that time, before the passing of this resolution. They had put me off from time to time, saying I might have them at such a time,—put it off, and finally decided I could not have them at all; and when the board met they passed this resolution, cutting me off entirely after that. I then sent my accountant with two other persons, and they were denied.

By Mr. Kelley:

Q. Who introduced that resolution rescinding the former one?

A. Regent E. C. Walker.

Q. Have you not made copies of all books and papers in there connected with the laboratory matters?

A. I don't know that I have. They put me off before I could complete them. There were other things which I wished to examine and make copies of.

Q. What have you made copies of?

A. I have made copies of the ledgers, complete copies of the stub-books. I have copies of the vouchers which have been returned here.

Q. Have you made copies of '64-5, or '74-5?

A. I have copies of the ledgers of '64-5.

Q. And the stub-books?

A. There were no stub-books in that year. I have a record of the tickets that are in the hands of the steward.

Q. Have you copies of '74-5?

A. I have copies of '74-5.

Q. At the December meeting of the Board in '75, were you not shown one of the memoranda of settlement,—one of these wrappers?

A. I have no recollection of anybody showing me one. My attorney presented one there—if you have reference to that.

Q. Did you not then deny that it was in your handwriting?

A. I know what you have reference to, and will answer it immediately.

Q. Answer it.

A. There was no memorandum shown me at the meeting of the Board of Regents. This has reference to a transaction which took place between Regent Gilbert and myself, along previous to the meeting of the Board of Regents, in which he did take one of these wrappers and ask me if it was in my handwriting. I asked him this question: "Who says it is in my handwriting?" He says he did not know as anybody did.

- Q. Have you any more of those memoranda? if so, will you produce them?
- A. What memoranda?
- Q. Those wrappers.
- A. For what year?
- Q. Any year since you have been in the laboratory?
- A. Since this transaction, this defalcation, was sprung, I have said memoranda of settlements which occurred between Dr. Douglas and myself.
- Q. Since then, or prior to that time?
- A. Since that time, sir.
- Q. Have you any of those wrappers for the years prior to the time this defalcation was discovered?
- A. I think I have.
- Q. How many of them?
- A. I have one.
- Q. Will you produce it?
- A. Yes, sir. I have not got it here: I will produce it.
- Q. Have you any more than one?
- A. Not that I know of, except those that occurred since this defalcation,—since the 18th of April.
- Q. You have had settlements with Dr. Douglas since then?
- A. Oh, yes,—up to the first of January.
- Q. Were those accounts of the laboratory for the year ending June, '75, settled with Dr. Douglas? If so, when?
- A. The 5th of July, 1875. Do you wish me to give you the settlement? Gave it to you Saturday.
- Q. Did you not have the report of Dr. Douglas for '74-5 and the vouchers for that year during your examination in October or November, '75?
- A. I did not, sir. I had the vouchers, but not the reports.
- Q. Did you not have access to Dr. Douglas' annual reports and the vouchers?
- A. I had access to the vouchers,—not the reports.
- Q. Have you ever furnished, or offered to furnish, any information to any committee of the Board in regard to this matter since it became public in November, '75?
- A. I think I have offered information to every committee.
- Q. What information?
- A. The first committee that went over it,—Dr. Angell, Mr. Knight, and Mr. Bennett. I certainly furnished them information, for I went over and found the tickets. They were there in their own hands. It was information for them, certainly,—for the Climie committee. I referred them to certain items, and when I was copying the books they used to ask me questions,—“What about this account?” Mr. Climie did, and I think Mr. Tregaskis did the same thing. And if they wanted any explanation about this, that, or the other account, I would tell them what I knew about it; and I think that Regent Grant asked the same question at one time in Bennett's office in regard to an account of one Driggs, and those gentlemen were present. I think he brought the ledger around and asked me in regard to some accounts. I would not say positively whether it was Regent Grant or not.
- Q. What other books and papers have you had in making up this statement besides those furnished by the Board of Regents?
- A. Those are my own private memoranda books,—the ledger, stub-book, and vouchers.

Q. Then the Board of Regents gave you access to the public records to make these records which you have here produced?

A. Yes, sir.

Q. Was that all the private memorandum book you have,—the one you have produced in evidence?

A. No, sir.

Q. Will you produce them all?

A. I can't, sir.

Q. Did you not furnish the McGowan committee with your book showing the name of Grimwood as bright as ever, and also the memorandum with "Douglas" written by Douglas?

A. Yes, sir; I did. I had forgotten that. There is the name of Grimwood still.

Q. In whose handwriting?

A. My handwriting, sir.

Q. Did you make this statement: "In regard to the payment of the sum of \$645, about which so much has been said, let it be first of all distinctly borne in mind that on October 18, when the Director came to me for the first time, the accounts for the year were in an unsettled state. We had not gone over the year's accounts to see if there were any tickets still in the hands of students, what unsettled accounts were still lying over, and whether there were any deposits which were forfeited, or whether there were any accounts which were unsettled?"

A. There were some accounts for that year still unsettled, and paid after that.

Q. Did you make that statement?

A. Yes, sir.

Q. What did you mean by it?

A. I meant that there were some accounts that were still at that time unsettled. At our June settlement they were left open, and they were not settled.

Q. Not settled between you and Dr. Douglas?

A. No: settled between me and the students; and it was sometimes the case in going over those, when we would come to an account like this, a man that we knew was coming back the next year, that he would be back and settle his account,—such an account is left unsettled.

Q. Would not those accounts come in at the next settlement?

A. Yes, sir, and they did; and they were settled in the year '75. Those do come in there.

Q. Then what do you mean by saying they were "unsettled," if they would come in the next settlement?

A. They were not paid until after the student came back for the year '75-6. We had not gone over the year's accounts to see if there were any tickets still in the hands of the students, what unsettled accounts were still lying over, and whether there were any deposits which were forfeited, or accounts unsettled. At the July settlement I gave him the accounts which I supposed it was doubtful whether they would come back or not, and they were forfeited accounts. The others remained over until the next year. If they had come back they would be turned in at a subsequent time. A number of them came back and were counted in the year '75-6, and the balance of the accounts would be not settled, you will find, I think in Dr. Douglas' annual statement for '75-6. I have not examined that statement very accurately.

Q. Is that the year that you had been refused a copy?

A. That is the year.

DR. ROSE RECALLED.—FEB. 5, EVENING.

By Mr. Kelley:

Q. Whose duty was it to report forfeited accounts to Dr. Douglas?

A. I don't know that it was any person's duty. In our annual settlement I always gave him the amounts.

Q. Would Dr. Douglas report forfeited accounts until you had reported them to him?

A. Of course he would not.

Q. Give an instance of forfeited accounts of '69-70 which was not reported by Dr. Douglas until '74-5.

A. '69-70 I think is not reported as yet,—at least part of them, I am certain. W. A. Colgrove, A. Winslow, McKinny, Phelps, and Severson, Hale, and Reave,—none of those have been reported.

Q. Have you reported them as forfeited, these accounts of '69-70, to Dr. Douglas?

A. I did, sir.

Q. When?

A. At the annual settlement at the close of that year.

Q. What is the object of taking certificates showing the amount paid to the laboratory?

A. What is meant by that?

Q. On the back of the vouchers.

A. They have paid that much at that time.

Q. Were you ever required to give your own certificate?

A. In some cases where the students did not hand in their certificate I made out a duplicate certificate, and some of those are signed by me. The tickets for apparatus which never went on the ledger I made out and signed them myself.

Q. On the final settlement what disposition is made of such cases?

A. Those tickets were passed over to Dr. Douglas at the final settlement. You have an example of one in the year '73-4.

Q. Take stub-book for '73-4 and see if there are any duplicates?

A. Ticket number 122.

Q. Is that a duplicate?

A. It is duplicated by ticket number 251.

Q. Give the number and date of the duplicates in that year.

A. The duplicate is made the same date as the original ticket.

Q. Are there any more in that year?

A. Yes, sir; I think there are.

Q. Give the full number and date of each.

A. Ticket number 2,399 is duplicated by ticket number 252; ticket number 255 is duplicated by ticket number 219.

Q. Do the dates of the duplicates correspond to the final settlement of the account?

A. I suppose they do.

Q. Look and see.

A. The date is not given on there when the duplicate was made.

Q. Have you any means of telling or giving the date of the duplicate?

A. Yes.

Q. Give it.

A. Let me take the tickets.

Q. What year do you want?

A. '73-4. One was filled out June 20, and the other June 24, I think, unless I mistake. I will look a little further.

Q. The question was, do the dates of the duplicates correspond with the final settlement of the accounts?

A. They do, sir.

Q. If settlements are made with Regents without certificate vouchers showing receipts, why are these duplicated?

A. One is that of Henry Wade Rogers, June 20. At the time he settled his account he did not happen to have his ticket with him, and it is marked "duplicate." The other is the case of Hildebrand, in which he was likely to go away from the laboratory owing the laboratory that amount, and I took out an attachment and attached his trunk, and by that means got the money out of him; and I made out a ticket to that effect, and it says here "by attachment."

Q. If settlements are made with Regents without certificate vouchers showing receipts, why are those duplicated?

A. I have nothing to do with settlements with Regents.

Q. What was the necessity of making duplicates if settlements are made with the Board of Regents without such vouchers?

A. There is no necessity of making the duplicate.

Q. When the tickets were duplicated, if you had paid the deposit money to Dr. Douglas, and he had put *D* upon the stub, was the stub of the duplicate afterwards initialed?

A. Not unless it was signed by mistake. I think one of those he put the *D* on and afterwards crossed it off,—one of those that I called. It was not customary to put *D* on, and it was not done unless it got on there by mistake.

Q. If settlements were made between you and Dr. Douglas without vouchers, what was the necessity of making duplicate vouchers?

A. I said there was no necessity of making duplicate vouchers.

Q. Turn to stub issued June 26, '74, and state what this certificate was issued for, and for what amount?

A. Apparatus. The stub is \$206.83.

Q. Why was it necessary to make that certificate?

A. The apparatus, as I stated, I think, once before, did not go on the ledger. Such accounts as that I would make out a ticket for because there was no other account for it.

Q. Who made that voucher?

A. Who drew it, do you mean?

Q. Yes; and who signed it?

A. I did. I think the voucher bears my initials. I will see. Yes, sir.

Q. Why was it required?

A. I don't know as it was required; it was customary. Such accounts as did not go on the ledger, where there was no account for it,—I would make a ticket for it, so that it could be known that there was such an account.

Q. Have you not testified to-day that you have settled accounts with Dr. Douglas not upon the ledger without vouchers, to wit: accounts in your diary?

A. Yes, sir; I think I testified to that last Saturday, also,—accounts as early as '68-9. None since that of apparatus, I think, but what I would have vouchers for.

Q. You said in your testimony Saturday that you paid Dr. Douglas \$696.10 on June 26, '74, without furnishing him any certificate or vouchers which he might return to the Regents. At what time, or times in the year was this amount paid to you?

A. Do you want the items.

Q. The question is, at what time or times in the year was it paid to you?

A. It is there,—time and amount and name of person.

Q. Can you give the names, amount and vouchers?

A. December 12, '73, Lowrie, \$4.25; March 10, '74, King, \$14.40; March 6, Dietz, \$14.55; March 26, Weaver, \$43.10; June, Moore, \$4.05; June 5, Smith, \$20.50; June 8, Wood, \$13.05; June 10, Watson, \$4.25.

Q. Now for the forfeit accounts in the hands of the students?

A. Alderton, January, 1874, ticket number 173, \$10; payments October 2, '73, ticket 85, \$10; November 24, '73, \$10; February 19, '74, \$10; Bartlett, September 22, '73, ticket number 9, \$10; November 24, '73, \$10; February 6, '74, \$10; May 13, '74, \$10.95; Blakely, January 7, '74, ticket 180, \$10; Desnoyer, September 26, '73, ticket number 32, \$10; Earl, September 18, '73, ticket number 6, \$10; January 12, '74, \$10; June, \$25.05; Kane, ——— 30, '74, \$10; June 5, \$5.80; Houster, October 8, '73, ticket number 111, \$10; Hunter, October 10, '73, \$10, ticket number 119; Huntington, January 27, '74, ticket 191, \$20; June 23, \$10; Logan, March 16, '74, ticket number 321, \$10; June 13, \$7.75; Mitchell, February 23, ticket number 216, \$10; Morris, February 10, '74, ticket number 200, \$20; Simms, January 7, '74, ticket number 179, \$10; March 21, \$1.10; Thum, September 30, '73, ticket number 63, \$10; November 24, \$10; Van Meter, September 22, '73, \$10; November 24, '73, \$10; and February 24, \$9.15.

Q. Why was it not paid over to Dr. Douglas during your regular settlement with him at the time it was received?

A. It was not customary to pay those over until the end of the year. We did not know but that the student might come back and demand those, or come back and work it out. I think in most of these cases they are money due from the students,—in almost every case.

Q. How many of the 17 accounts which you say were settled by Dr. Douglas in the settlement of June 26, '74, as forfeit accounts, were not for accounts which had been fully settled between you and the students? Name such of the accounts which had been so settled. State the date of the settlement of each as shown by the ledger.

A. There is Earl, it was settled up some time in June, I can't give you the exact date in June. Gunn, June 5, Logan, June 13, and Van Meter, February 24.

Q. Is that all?

A. Yes, sir.

Q. How many do you net of the 17 that were fully settled?

A. Four accounts.

Q. Was the account of Everett settled?

A. Everett had an account on page 61, of \$18.85. It was settled on June 15. That is an account without any voucher,—a stubless account.

Q. Do you find an account there for Grim, and when it was settled?

A. Perhaps it is Gunn,—that was settled June 5.

Q. Was that a forfeited account?

A. Yes, sir.

- Q. Wasn't it paid in full?
A. Yes, sir.
Q. Wasn't it paid in full?
A. It was paid in full, but the ticket was never returned.
Q. Was that account settled in full, and what date?
A. June 5. I gave that name as one of the four.
Q. Do you find Hunter, and when was his account settled in full?
A. It is not settled in full.
Q. How does that account stand on the ledger?
A. According to my notes there was 15 cents due on it. Let me see the ledger. 15 cents was paid January 15, '75.
Q. Is it settled in full now?
A. It is at this date, but at that time it was not.
Q. Do you find an account there of Logan?
A. Yes, sir.
Q. Was that account settled in full, and when?
A. June 13, '74.
Q. Do you find an account of McCullough?
A. Yes, sir.
Q. Is that settled in full?
A. It is now.
Q. When was it settled?
A. Let me see the ledger. February 16, '75.
Q. Was that settled in full?
A. It is now.
Q. Do you find an account there of Senier?
A. Senier has two accounts.
Q. How do they stand upon the book?
A. One of them,—the ticket is with the steward, and the other one never had any ticket.
Q. They are not settled?
A. Both are settled as per the ledger.
Q. In full?
A. Yes, sir.
Q. Were they June 26?
A. Yes, sir.
Q. Do you find an account there with Simms?
A. Yes, sir.
Q. Is that account settled in full?
A. It is, sir.
Q. Was it on the 26th of June?
A. Yes, sir.
Q. When was it settled?
A. March 21.
Q. Do you find an account there of Thomas?
A. Yes, sir.
Q. Was it settled in full?
A. Yes, sir; and more too,—hold on! I beg your pardon; I was looking at the wrong account; I was looking at Thum.
A. Thum is the one?
A. That is settled in full, and more too.

Q. When was it settled?

A. September 30, \$10, and November 4, \$10, leaving \$5.80 his due.

Q. When was it settled? See if you can find out from the ledger.

A. Page 218, there is an account of \$14.28, September 30, he paid \$10; November 30, \$10.

Q. Where were those accounts reported to Dr. Douglas by you at the settlement of June 26, as "forfeit" accounts?

A. They were accounts in which, in the majority of cases,—that is all except four,—there was money due from the students. There was only one account from which money was due to the students, and in the other four each were settled in full and tickets to be returned.

Q. Why were they reported by you as forfeited accounts?

A. I would report the stub as forfeited, and then I would report sub-payments on forfeitures. The stub is not red-lined, so I would report the stub as forfeited; I had no ticket for that, and then I would report the sub-payments on the forfeited accounts.

Q. If you say these were forfeited accounts because the vouchers were in the hands of the students, why did you not make duplicate vouchers as in other cases?

A. There was no real necessity for doing it, if I had done so,—it would have made less trouble for me if I had.

Q. What does the stub of Hunter's account show?

A. It has the word "forfeited" written across it.

Q. Whose handwriting?

A. One is in Dr. Douglas's and the other I should say is in mine. It is both.

Q. What else does it show?

A. There are two lines which look as though they had been drawn with either a red pen dipped in black ink, or a black pen dipped in red ink,—I don't know which,—and the word "forfeited," written upon them.

Q. Anything else on that stub?

A. I don't observe anything else. It has the letter *D*.

Q. No other marks of any importance?

A. No, sir; I don't see anything.

Q. What does the stub of J. M. Ewart, number 207, show.

A. That shows that after he made his deposit, he took up his money before I settled with Dr. Douglas. The check is canceled, it is not D-ed. The money was paid back to the student before I settled with Dr. Douglas after he made the deposit.

Q. Do either of the lines across the Hunter account indicate a cancelation?

A. No, sir.

Q. If apparatus vouchers were necessary, why was it not equally necessary to furnish a similar voucher for the stubless accounts?

A. It was not necessary even to furnish that, I did not suppose. It was only done so in case any questions should arise whether this apparatus had ever been paid for, there was something to show for it. There is no other account of that apparatus except that stub and voucher.

Q. Give the date of your last settlement of accounting with Dr. Douglas prior to June 26, '74?

A. June 19.

Q. Irrespective of stub or receipts that had been once issued previous to June 13, '74, how much money did you receive and account for by the surrender of regular vouchers from June 12 to June 26, '74?

A. Just let me look at the account. Irrespective of deposit money you mean?—you mean by that how much money was surrendered by the certificate alone?

A. Yes.

A. That I would have to figure up to see.

Q. Figure it up, if it don't take you too long.

A. It would take probably an hour.

Q. Take a note of that and answer it in the morning. How much deposit money did you account for on the stubs issued between those dates,—June 13 and 26?

A. I think there are no stub tickets after June 13 until you get down to the apparatus ticket,—until June 26. That is my recollection. I will say there is nothing after June 3,—no deposits.

Q. What evidence have you that you had a settlement with Dr. Douglas on June 19, '74?

A. I had a settlement with him just before the meeting of the Board of Regents,—the Saturday before the meeting of the Board of Regents on June 19, when he was preparing for his annual statement to the Board. The Regents met the next Monday after this settlement and we did not make a final settlement at that time, for the reason that there were a large number of accounts which stood out unsettled, so it was thought best to give them a little more time and endeavor to get them collected in.

Q. How do you know you had a settlement?

A. I remember that fact.

Q. Have you any other facts?

A. I think I have.

Q. What are they?

A. I have a memorandum in my diary for that year giving the date of every settlement.

Q. Do you mean the book that was presented here to-day?

A. No, sir; I mean my diary that I carried in my pocket for that year.

Q. Will you bring it here to-morrow morning?

A. [Answer, if any, not reported.]

Q. Have you any other circumstances by which you can fix the date of this settlement?

A. No, sir.

Q. Can you determine it from the books of the laboratory?

A. There is nothing in the books of the laboratory to determine it.

Q. Can you determine it upon the stub?

A. There were no stubs issued between those dates,—between June 13 and June 19.

Q. How much was received on stubless accounts in the same period,—between the 13th and 26th of June?

A. That would require a good deal of going over to figure it up. If it will answer just as well, I will take that and give it with the other.

Q. How many settlements did you make with Dr. Douglas in June, '74?

A. Three.

Q. Give the date of each?

A. June 13, June 19, and June 26.

Q. You say that those wrappers were not genuine settlement papers,—do you not?

A. I do, sir.

Q. Was it not customary in your settlement with Dr. Douglas to pass between your memoranda of indebtedness, and frequently for quite large amounts, subject to adjustment at a subsequent settlement, especially near the close of the year?

A. At the beginning of the year it was quite customary for him to come around and get money and give me [I gave him?] a memorandum of it, "good for" so much money, signing his initials, which would be accounted for at the next settlement.

During the year frequently I would pass a small memorandum. I never gave him a memorandum for \$100. The largest is that amount here, I think, as an exhibit, which is about \$90, I think. That is the largest I ever gave him; and those memoranda were usually taken up,—sometimes the next day, or in two days.

Q. Was it customary or common for you to give him memoranda near the close of the year?

A. It was not. It might be for a small amount,—no more likely at the close of the year than any other part of the year.

Q. Do you remember any cases at which such memoranda were passed? If so, name such cases.

A. I gave him one that is here on exhibit that passed between us for five cents.

Q. Do you remember any other?

A. They were not a very common occurrence. I don't call them to mind just now.

Q. What was done with such memorandum when taken up by you?

A. Sometimes I put them in my pocket-book.

Q. Have you got any except the one that is on exhibit?

A. I have not examined to see; I may have.

Q. Did not the check for \$1,290 of the date of June 26 apply on the settlement of these vouchers thus surrendered between June 13 and June 26?

A. It did not, sir. Yes; it applied on those between June 19 and 26, but it did not apply on any between June 13 and June 19. It applied on those after June 19 to June 26.

Q. Did you not owe Dr. Douglas University accounts and vouchers surrendered at this time, and embraced in the time from June 12 the sum of \$1,327.28, or thereabouts?

A. No, sir; I did not. I never owed him so much as that. I never gave him a memorandum to amount to \$100.

Q. What was the condition of your bank account at this time?

A. I would have to look at my bank account to see. I had enough to pay that \$1,290. I don't know how much more.

Q. Had you a sum at that time in the bank exceeding \$1,290? And if so, how much?

A. My bank book is right in the drawer there, let me look at it. After the check was paid I had a balance still remaining in the bank of \$3.81.

Q. How much money did you pay Dr. Douglas on June 19, '74?

A. I presume I paid him \$252.50.

Q. Do you know anything about it?

A. I don't know that that is a genuine settlement ticket,—that wrapper No. 1. There were no deposits, I don't know whether there were any bills or not. If there were, they were come out of that?

Q. What evidence have you of the amount you paid him June 19?

A. Those are the tickets in that wrapper number one.

Q. Is that all the evidence you have of it?

A. That is all.

Q. You account for the stubs not bearing the initial *D* by saying that Dr. Douglas accidentally turned two leaves of a stub-book at once. I understand your theory is that they were included in the counting, and so Dr. Douglas got the money. How do you explain the cases where one of the *Ds* on the same leaf is initialed and the other not?

A. As I stated, he could do it by turning two leaves instead of one, or sometimes when he would sign one and turn the leaf, omitting to sign the other one, as it was always done in a hurry.

Q. Were there not occasionally incidents where a certificate was filled up but not cut out of the book until after other certificates beyond it were cut out and delivered to the students, and until after Dr. Douglas had initialed it? And if so, did Dr. Douglas ever get the money represented by such stub?

A. It was sometimes the case that a man would want to make a deposit not for the full \$10, and I would enter the amount on the ticket in pencil and let the ticket remain there, and when he got sufficient money to pay the whole amount the ticket would still remain until our next settlement, when Dr. Douglas would put his *D* on it.

Q. Did not the stub show a few instances of having pin-holes in them, and do not the vouchers corresponding to such stubs have corresponding pin-holes?

A. Rarely.

Q. Assuming that cases like the above exist, are they not accounted for upon the theory that when Dr. Douglas initialed the stub each side of those showing such pin-holes, the vouchers represented by such stubs had not been delivered to the students and the money received on them? And if so, did Dr. Douglas ever get the money represented by such stubs?

A. In that case the ticket would happen to get torn off before we knew whether we were going to get the money, and we would pin it on, and it remained there as an indication that the money was not paid over until the money was paid over, and then the ticket would be given to the student. The ticket was not given to the student until such time.

Q. What is your age?

A. 42.

Q. At the time you became connected with the laboratory what property had you?

A. I had in money, as I said this forenoon, I thought about \$2,400. Since then I have looked to see, and find it was \$2,600.

Q. Have you since had any income except your salary? and if so, from what sources and to what amount?

A. In 1866 I had a salary of \$500, pension \$204, room rent \$168, extra classes \$134, making \$1,006. In '67-8 I had an income of \$1,065, from salary, pension, room rent and extra classes. In '68-9 I had an income of \$1,273, in salary, pension, room rent, and extra classes. In '69-70 I had an income of \$1,364, from salary, pension, and room rent. In '70-1, I had an income of \$1,493 from salary, pension, room rent, commutation of leg, moneys received in Vanderpool trial, and analytical work done for outside parties. In '71-2 I had an income of \$2,537 from salary, union school, boarders, pension, analytical work, and a private student. In '72-3 I had an income of \$2,996,—salary,

room rent, analytical student during vacation, pension. In '75-6, I had an income of \$1,926,—salary, room rent, and pension, making in all \$18,735.05.

Q. Did you keep a bank account during any of the time you were connected with the laboratory? and if so, with what bank?

A. I kept a bank account with the First National Bank during the years '72-3, '73-4, and '74-5. Since that I have kept one at the Savings Bank.

Q. Will you produce your bank books?

A. Yes, sir.

Q. Did you deposit any money with any private individuals during the time you were connected with the laboratory? and if so, with whom?

A. I did not, sir.

Q. Did you make any loans of money to any person, either for long or short time, during the time you were connected with the laboratory? and if so, to whom did you make such loans or loan?

A. What do you mean by "loans?"

Q. Loan any money?

A. Do you mean to receive any interest on it?

Q. Yes. Did you let them have it without interest?

A. I have let persons have money for a few days.

Q. In what amounts?

A. \$25, \$50, or \$100.

Q. Ever let anybody have any other amounts,—larger amounts?

A. I don't know. I let parties have at one time \$100,—not over.

Q. Do they reside in the city?

A. Yes, sir.

Q. Who are they?

A. Sawyer and Wheaton.

Q. Anybody else?

A. No, sir.

Q. Have you ever indorsed paper for any one? and if so, when and for whom? and have you been compelled to pay any money on account of such indorsement? and if so, when and how much?

A. I have indorsed some for some persons at the bank for 30 or 60 days, and never had to pay a cent.

Q. Were you in the habit, during a portion of the time you were connected with the laboratory, of placing money in the hands of one Taylor in this city, to loan for you? and if so, at what time did you so place money in his hands, and to what amounts?

A. I never placed any money in the hands of any man by the name of Taylor, nor any other, to loan for me.

Q. Did you place the money with or loan any to Taylor, for any purpose? and if so, when and to what amount?

A. I never loaned any to any man by the name of Taylor.

Q. What property have you acquired since you became connected with the laboratory in '66, and what do you now own?

A. This statement was made out the first of last July. It will be correct up to that time. When I first entered the laboratory in '66 I had \$2,600 in the house. I exchanged that house for the one that I now live in and paid \$1,500 to boot; I paid repairs on it \$500. Painting, \$160. I had at that time an interest in another house of \$230; I had railroad stock \$100. That I told you of this afternoon. Silver stock \$400, plaster stock \$1,700, pew in church

\$425; making \$7,615. I will modify that. I said cash on hand \$2,600,—\$2,450. That is the value of the house, or what the house cost me. The mortgage that is now on my place of \$2,000 was on it at that time. Taking that out of property which I had on hand would make \$2,413, which would be my net earnings for those 11 years. Taking that out of \$18,330.05, which would be my income during that time, would be \$15,922.05 to pay my ordinary running expenses. That would be \$1,592.20 a year.

Q. Boarders and all?

A. Yes, sir.

Q. What property have you acquired since you became connected with the laboratory in '66, and what do you now own?

A. The only property I own now is the house where I live, which has a mortgage of \$2,000 on it.

Q. What property have you acquired since '66, and what do you now own?

A. I have acquired the house where I now live and this railroad stock, and silver stock, and plaster stock, and pew in church. The property I have acquired is \$2,413.

Q. What is that in?

A. It is in the house where I now live, over and above the cost. I don't know but it might sell for little more than that. I don't know whether it would or not these hard times. This railroad stock, silver stock, and the pew in the church, and the difference between the mortgage and what the house would sell for—I don't know how much it would sell for.

Q. What property had you in '66?

A. In '66, when I entered the laboratory, I had the cash I gave you,—\$2,450.

Q. What else?

A. That is all the property except some household goods which my wife had.

Q. What have you acquired since that time independent of that.

A. I was stating what the house cost me, what repairs I put on it, and that would be just what the house cost me as it stands, and adding to that the amount of these stocks, would give the sum total which I had acquired, and taking out what I had on hand at that date and what I owe, the balance should be what I acquired. That is the way I get at the \$2,400.

Q. Had you at any time any interest in any lot or house in the city of Ann Arbor, or land elsewhere, the title of which has not appeared to be in you by the records in the office of the register of deeds? and, if so, state the character and location of such property.

A. I have not any interest in any property which the records do not show.

Q. Have you not paid interest on a mortgage upon a house and lot in the city, the title of which does not appear in you of record? And if so, to whom have you paid such interest, and what amount have you paid, and what interest had you in such property?

A. That refers to property which I sold a few weeks ago. The title was in my name, however. I paid the interest on it. I had only \$240 in the house and lot.

Q. How came you to pay interest upon such mortgage?

A. Because the title was in me.

Q. What was the amount of that mortgage?

A. \$500.

Q. Was the mortgage given to you?

A. No, sir; the mortgage was on the property.

Q. Then you paid the interest on the mortgage?

A. I had only a quit-claim deed of it.

Q. You paid interest on the mortgage?

A. Yes, sir.

Q. The title of the property was in you?

A. I had a quit-claim deed of it.

Q. Who owned the property?

A. I did. It was sold to me. I took a quit-claim deed. There was \$1,900 mortgage on the property, and I took it subject to the mortgage.

Q. Have you at any time owned stock in any corporation or corporations other than those you have already mentioned? and if so, what corporation and what amount of stock?

A. I have no interest in any stock, except what I have given.

[Question repeated.]

A. I have not.

Q. Have you been interested in any speculative adventures of any kind other than those you have already mentioned? and if so, what and where, and how much money have you vested therein? State every instance.

A. I have not been interested in any speculative interests.

Q. When did you purchase the house and lot you now own, and of whom, and how much did you pay them for it, and when did you make the payment?

A. I could not state definitely as to the time. In '66 I bought a lot and built a house, and traded the house and lot for the one I now own, giving \$1,500 to boot. There was a mortgage of \$1,500 on the one I owned, and a mortgage of \$2,000 on this one. So I paid \$500.

Q. Did you pay that money all once?

A. I borrowed the money from the savings bank and paid it.

Q. When did you rebuild or repair the house in which you now reside, and what was the cost of such repairs?

A. The repairs were \$500, and \$160 for painting.

Q. At about the time or soon after you reconstructed or repaired your house, did you refurnish it? And if so, at what expense?

A. I think we put new carpets in one room; I don't know but two,—perhaps more: perhaps three. I think that was the only furnishing that was done,—probably at an expense of \$100.

Q. Anything else?

A. Nothing else, sir.

Q. What was the whole expense of refurnishing?

A. I don't think it was over \$100.

Q. When and how did you pay the expense of reconstructing and repairing your house in that year?

A. I paid part of it that year and part of it the next year.

Q. Have you any money out at interest? If so, when did you first put it out, and what amount have you had from time to time at interest?

A. I have no money out at interest, and have not had.

Q. What disposition have you made of your surplus income from year to year?

A. That is a question I would like to have somebody else answer. It is more than I can tell, sir.

Q. Can you tell what you have done with it?

A. I am sure I don't know where it is. There is a question to me whether I have not put a great deal into the laboratory.

Q. Where did you get \$2,452 which you say you had when you became connected with the laboratory, and where was it at the time?

A. A large part of it I accumulated while I was in the army. Some I had before I went into the army. I can't tell you now just where it was before I built.

Q. Where was it at the time you went into the laboratory?

A. A large portion of it was in Sutherland's hands,—I can't tell you now how much, but I think the larger portion was in his hands, and the rest of it I had in cash. I have sent to Sutherland while I was in the army, and had not drawn it out of his hands. At the time I went into the laboratory I bought the lot of him and had him build the house for me.

Q. Up to the 18th of October, '75, what had been the relation existing between yourself and Dr. Douglas?

A. What do you mean by that?

Q. State of feeling.

A. We have been very pleasant; never had any words one way or the other.

Q. Take the stub-books of the fiscal year of '70-1, and give the dates so far as you are able, of each settlement you had that year between yourself and Dr. Douglas as shown by the marks upon the books, and give the date and number of the stub at which Dr. Douglas on each occasion stopped initialing stubs?

A. I find one ticket number 65.

Q. The first settlement for that year?

A. That is the first one I find.

Q. What is the date?

A. October 4, 1870.

Q. The next one?

A. Ticket 131, November 3.

Q. The next one?

A. There was a settlement that took place between November 26 and December 3,—I could not tell what day. The next one is January 4, ticket 169. Here is one February 3, ticket 231. I find one on ticket 272, April 6. That is all I see.

Q. When you settled at any time with Dr. Douglas, did you include in each settlement all of the accounts which up to that time had been settled between you and the students?

A. The ledger accounts,—that is, the "stubless" accounts and the "forfeited" accounts—were not included at these settlements. Those are only put in at the final settlement at the close of the year. The other accounts were settled so far as the certificates came in. It is possible that the money might have been paid, and the certificate not returned for several days afterwards, so that it might pass beyond that time of settlement.

Q. So that at any time did the settlement of Dr. Douglas embrace all the accounts that had been settled with the student?

A. No, sir; not until the final settlement for the year, unless it was probably during the month of October, or near that somewhere, simply deposits to settling that case, and it would embrace all the money.

Q. How often did you settle with Dr. Douglas for the stubless accounts?

A. Once a year.

Q. What voucher did he take to show they were settled for those?

A. I had no voucher for those.

Q. Did it ever occur to you that you needed vouchers to show settlement of

such accounts with Dr. Douglas quite as much as you did, to show settlement of the accounts represented by stubs and vouchers?

A. I can say now that it would have been wise in me to have done so.

Q. Did it occur to you at that time, or at any time?

A. Not at that time. I didn't think anything about it. He settled with me, and I paid him the money, and I supposed it would be properly accounted for to the Board of Regents. I never knew but what it was until this difficulty came up.

Q. Begin with the earliest wrappers now to be found in the hands of this committee, and go through with them year by year, and designate those that represent settlements and those that do not?

[This question is passed at present.]

Q. What became of the paper referred to by you in the statement read by you before the Board of Regents at the December meeting, 1875, as one of the papers representing a settlement between yourself and Dr. Douglas? If you have it in your possession please produce it.

A. I will look and see. If I can find it I will produce it. The settlement ticket I suppose will refer to it. I will look and see if I can find it and produce it.

Q. If you produce the paper referred to in the last question, state the date of the settlement to which it refers?

A. Yes, sir.

Q. When you began the practice of making up the vouchers, as they came in, into packages and putting them into wrappers—when did you commence that practice?

A. I don't know whether I ever did them up in packages before '73-4 or not. I have no recollection of doing so.

Q. How came you to make several packages of the vouchers which came in between two settlements?

A. It was easier to foot a short column of figures than it was a long one.

A. For the convenience of footing?

A. Yes, sir.

Q. Do you say you made up the vouchers in packages from time to time as a sufficient number came in? What was your practice in that respect?

A. About the time I thought Dr. Douglas would be around for settlement I would take what tickets I had on hand, and would do it up in a convenient sort of package and put a wrapper around it, not taking them as they came in consecutively. In doing them up in that way one of the packages, as for example where one settlement shows three, would run over the same dates.

Q. When you made up such a package of vouchers did you put into it all the vouchers which had come in up to that time?

A. Unless there were some in the drawer that I overlooked. I was not particular as to that. There might be some left in the drawer that I failed to take out and put in the package.

Q. When did you first begin to keep memoranda of the vouchers which you turned over to Dr. Douglas?

A. The first memorandum was when I went in there in April, '66. That was when I commenced,—the third day of April, '66.

Q. How came you to begin keeping that memoranda of accounts?

A. I kept an account of all the deposits I received, and all the sub-payments I received: kept a memorandum of that.

Q. How came you to do it?

A. It was the custom. The accounts in the laboratory, as I understood, were all carried simply on a memorandum book. I did that so I would know how much money I have received.

Q. When did you first begin to keep a memorandum or account of vouchers which you turned over to Dr. Douglas?

A. In '66 I kept an account of all the tickets I turned over to him.

Q. The question has reference to private memoranda.

A. Yes, sir.

Q. How came you to begin?

A. I kept a memorandum of money that came into my hands, and on another page I kept a memorandum of money I turned over to him.

Q. What made you keep the private memorandum?

A. I don't know any other reason than that. As I stated in the examination on Saturday, I paid over all the money that was in my hands at each settlement.

Q. As I understand it, it is the memorandum of vouchers turned over,—is not that the intention of it? When did you first commence keeping it?

A. It has reference to the vouchers that occur in those books or any book.

Q. All the vouchers you turned over?

A. Yes, sir.

Q. And so the first was in '66,—that is, when you had those small tickets without any stubs? Do I understand your answer to be that that was a part of the system for you to keep a private memorandum of all those vouchers?

A. I used to do it.

Q. Did you make the entries from time to time as you settled with Dr. Douglas and turned over the vouchers, or keep separately those turned over at each settlement?

A. I put them right down in consecutive order, commencing the third day of April,—all the money I received the third day of April was entered in this book the 4th day of April, and so on, and when I settled with him, the amount of those he turned over was entered on another page.

Q. And you kept that in your private memorandum book?

A. Yes, sir.

Q. Produce all the memoranda of accounts or vouchers turned over to Dr. Douglas which you at any time made or kept.

A. I will hand them in to the committee, commencing on the third of April, '66, and running through the balance of that year; and the payments were kept on another page. They would be put in as I stated before.

Q. Did you keep any such memoranda of accounts before you procured the book which you have produced, and which contains a list which you afterwards in October, '75, copied into the book procured for that purpose of Dr. Douglas? and if so, where is the book on which you kept the statement?

A. I didn't keep any list between '68-9, and the one referred to there, in '69-70 I think was the last.

Q. When did you make the first entries in the books which are produced, to wit, the book containing the name Grimwood?

A. The first entry was made October 8th, '74.

Q. Why did you not keep an account of the same book and in the same connection with the so-called "stubless" accounts which you settled with Dr. Douglas?

A. I did not get even all the tickets in that were turned over at that settlement.

Q. Why did you not?

A. Well, in the first place, as I stated Saturday or this morning, that was no part of my official record. It was not done to see how much money I turned over, but it was done more particularly so as to know what tickets I had turned over and the amounts on them, so that I made the diary memorandum of the amount of these ledger accounts and stubless accounts.

Q. Did you think there was any more necessity or desirability to keep an account of all the vouchers turned over than to keep an account of the stubless accounts settled?

A. This book was not kept for the purpose of seeing how many tickets were turned over, but it was kept so as to see what tickets were turned over and the amount of them, so that I would know when I came to make up the stubless accounts what amounts were not represented by tickets.

Q. When you settled with Dr. Douglas for money received upon stubless accounts, what voucher did you take from him to show such settlement?

A. I had taken none except the checks which I paid him, which show for it.

Q. No receipt or anything of that kind?

A. No, sir.

Q. Has that been explained to the Board?

A. Yes, sir.

Q. Did it occur to you that you needed any voucher.

A. It did lately.

Q. Did it at that time?

A. It did not occur to me. I supposed of course that it would be all reported, and when I settled with him I thought that would be all that was sufficient,—all that was necessary.

Q. Did you not ask him to receipt for such accounts upon the ledger, as it appears you did in one instance?

A. I don't know as I asked him to do it then. I presume he did it of his own accord. I don't remember anything about the account. All that I know is seeing his name signed there in his own handwriting. That is all I know about that. I have no idea that I ever asked him to receipt for it at all.

Q. Why didn't you ask him to receipt for these payments?

A. It has not been customary, and if I asked him for a receipt he might have thought that I disputed his integrity or honesty to report them.

EDWARD KINNE SWORN.—FEB. 6, A. M.

By Mr. Taylor:

Q. You reside in Ann Arbor?

A. Yes, sir.

Q. What is your position?

A. Attorney at law.

Q. Are you acquainted with the Regents of the University?

A. Yes, sir.

Q. Did you draft a certain bill in chancery for them?

A. No, sir.

Q. Did you have any connection therewith?

A. Not with the drafting of the bill.

Q. Did you give any advice in regard to that bill?

A. Some time prior to the filing of the bill, and the drafting of the bill, I have had some consultation with different members of the Board of Regents with reference to it.

Q. Name those members.

A. Regent Grant, E. C. Walker, President Angell, and the Secretary of the Board. I don't recollect whether I had consultation with the others or not.

Q. Have you been employed by Dr. Douglas, or Dr. Rose, or any parties connected with this defalcation in the laboratory?

A. I have been employed by Dr. Douglas. I don't know exactly how confined your inquiry is in that respect.

Q. In what cases were you ever employed by him?

A. In the libel case of Dr. Douglas against Mr. Beal now pending, which was commenced nearly a year ago. I was the attorney for Dr. Douglas,—attorney of record in the case.

Q. In any other case?

A. That is the only case pending that I am aware of.

Q. You were not retained as counsel by Dr. Douglas in the investigation of June last?

A. I did not appear at that investigation. It is somewhat difficult for me to answer that question. I was employed by Dr. Douglas, and I cannot say how confined or how limited that employment was, or how extensive.

Q. You were in the employment of Dr. Douglas?

A. Yes, sir.

Q. For any stated case?

A. There was nothing specific in the employment of myself by Dr. Douglas.

Q. Was it a general employment?

A. Perhaps it was.

Q. Then you were retained by Dr. Douglas?

A. Yes, sir.

By Mr. Mills:

Q. Whether you were retained for any exigencies that might arise?

A. There was no language of that kind used,—nothing of that kind said. I can't say what may have been the intentions of Dr. Douglas; it is impossible for me to state. I know with reference to the libel suit that I was retained as assistant in that work. In the matters of investigation before the different committees I never appeared, and had but very little to do with them, or perhaps nothing, formally, as an attorney.

Q. Would you have felt at liberty to have appeared as counsel for persons adverse to Mr. Douglas' interest in these matters?

A. No, sir.

Q. What advice did you give Regents Grant and Walker in regard to this bill in chancery?

A. I can't say that there was any definite advice given. It was simply a general conversation and exchange of opinions and views with reference to the feasibility of filing a bill in chancery for an accounting in these matters. The discussion arose in reference to what should be done with the cases pending at law which had been deemed desirable, if possible, should be sent to referees. There are two cases at law in which these matters might have been turned, and it is felt as though they were not proper cases to be submitted to a jury; that an ordinary jury never could investigate matters of account, and it is idle to

hope for any satisfactory adjudication of the matter; and if these two cases could have been sent to a referee it seemed, upon the views of all, that that was the very thing that was desirable.

Q. Did they ask your advice in regard to this matter?

A. The most that I can say in reference to that,—the best answer that I can give,—is this: At the request of Regent Grant I went to Detroit, and we had a consultation with reference to the matter.

Q. At the request of Regent Grant?

A. Yes, sir.

Q. Did you state to Regent Grant that you were in the employ of Dr. Douglas?

A. I don't think I stated anything about it.

Q. It was generally known that you were?

A. I suppose so.

Q. Who drafted that bill?

A. I can state all the knowledge I have upon the matter.

Q. Well.

A. All the knowledge I have concerning that is this: That I received that bill, I think, with a letter enclosed from C. I. Walker, asking me to indorse the bill as solicitor in the case and file it. That is about all the knowledge I have. I supposed that C. I. Walker drafted the bill.

Q. Were you advised in regard to the bill?

A. I can't say with reference to that particular bill that I was advised with reference to whether a bill should be filed. I can't say that we had any special talk about that.

Q. Did this meet your views which you gave in that consultation?

A. The bill came to me somewhat unexpectedly. It was prepared in detail,—

Q. Just answer the question. Did this bill meet those views which you had in that consultation?

A. I filed the bill without reading it.

Q. Have you ever read the bill?

A. I have read it since.

Q. Answer the question from the knowledge of the bill since then.

A. It is difficult to answer that question by yes or no. Let me repeat what I said before. I think that the frame-work of that bill had not been discussed, but the mere question as to the feasibility or propriety of filing a bill in chancery for an accounting was the only matter that was discussed,—not the exact features of it, or who should be parties defendant. That matter was not discussed, and therefore I cannot answer that question, as it seems to me, with any degree of justice to you or myself.

By Mr. Kelley:

Q. Were you retained by the Board of Regents, or any member of the Board, to participate in that chancery suit?

A. The only way I can answer that question is to state the facts. I supposed I was, but after hearing the testimony of E. C. Walker I concluded I was not.

Q. What made you think you were not?

A. From the fact that at the request of Regent Grant I went into Detroit, and the matter was there discussed; and it was concluded that in the event that the courts should refuse reference in his case so that the matter might be adjudicated in that manner, and not submitted to a jury trial, it was then felt desir-

able, I say, and so decided, that the bill in chancery should be filed. In that event I was to assist, I supposed, in the preparation of that bill.

Q. Do you know whether the Regents or any of them saw the bill after it was prepared, and before it was filed?

A. I have no knowledge upon the matter beyond what I have already stated.

Q. Did you hear any objections raised to your appearing in that case?

A. I never heard a murmur of it until the last meeting of the Board of Regents here three or four weeks ago. If I had, I would have ascertained, and very quickly, whether I was formally retained or not; and when I heard that some objection was made to the fact that I appeared as solicitor in the chancery case, Regent Grant and myself had a conversation in reference to that matter, and I conceded at once that there was an impropriety in that matter, and I readily consented to a substitution of Gov. Felch in my place.

Q. At your suggestion or his?

A. I can't say. Col. Grant came to my office and spoke of the matter, and we made a change.

Q. Whether before or after the meeting of the Board of Regents at which it was discussed?

A. I think it was after the meeting: it may have been the same day or the following day.

Q. After you had been retained by the University as their solicitor, would you have drafted such a bill as the one filed to obtain the object for which that bill seems to have been filed?

A. Substantially so, I think. It is difficult to say whether one solicitor would draw a bill just as another one is drawn, and draw it as well. I cannot say that I would draw it as well as that bill was drawn.

Q. The suggestions which you gave at the time you had the consultation in Detroit,—was it with reference to the framing of the bill?

A. The only matter discussed was whether a bill should be filed for that accounting.

Q. Did it occur to you that Dr. Douglas should be made a party defendant?

A. It did not occur to me one way or the other.

Q. Did you not seek to be employed in that?

A. No, sir: it is not my practice.

Q. It was in good faith on your part?

A. I cared no more for the Board of Regents than I did for any other client; would not have thrust myself into that case or any other case; I would not have consented to have gone there unless I supposed it would meet with universal approbation from every member of the Board. I would not have consented to be retained if I had supposed there was an exception to be taken to it. Dr. Douglas had nothing to do with the matter whatever.

By Mr. Taylor:

Q. Are you the attorney for the Regents in two cases, [one]—of Rose against the Regents now pending in the county of Washtenaw?

A. Yes, sir; attorney of record.

Q. Who employed you?

A. After the June meeting of the Board of Regents in 1876,—it was in the early part of June,—Dr. Rose began a suit against the Regents of the University. I think the papers were served upon Dr. Angell and the Secretary, and the papers were delivered on him to Grant. That is the statement he makes.

He handed them to me for me to look after. Regent Grant came and left them with me with instructions to attend to that case, and defend the case.

Q. What was the suit?

A. Suit was brought by Dr. Rose to recover his salary, \$300, and also the amount of money which he claimed to have paid to Dr. Douglas by mistake,—this \$800.

Q. You say you did not volunteer to assist Mr. Walker in the case when the application was made to refer it?

A. No, sir. At that meeting in Detroit it was agreed upon that application should be made for referees in this case in case a demand for a jury trial was not made within the requisite time prescribed by statute, and in pursuance of that arrangement application was made. I had drawn an affidavit which I thought necessary to base the application upon, and submitted it to Secretary Bennett, carried it over for him to make the affidavit, and he suggested to me that it might be better for Regent Walker to make the affidavit, he being more familiar with the facts in the case, and having been a member of the prior committee; and instead of using that affidavit I wrote to Regent Walker asking him to prepare the affidavit, and he prepared the affidavit, and C. I. Walker called me out and we presented the affidavit.

I will state further, that in one of those cases no demand was made for a jury,—none had been filed, as we supposed; the court records do not show it; but when I appeared to present this application it transpired that they had been filed, but they had been filed in the wrong cases and not properly recorded. The attention of the court having been called to it they were permitted to be filed as of the proper time and as of the proper place and proper case, and under that finding we did not present the application. I suggested, however, at the time, that C. I. Walker, who was here, that we might make an application for auditors, and the matter was left open for me to present the following data. C. I. Walker did not return, and I presented the matter to the court the following day in both of these cases applying for auditors, and the court substantially refused the application.

Q. Where was the consultation held about filing the bill in chancery? who was present, and what was the result of the consultation?

A. I think it was in the office of C. I. Walker, or E. C. Walker,—I am not certain which.

Q. Who was present?

A. Regent Grant was present, and I think C. I. Walker and myself.

Q. Was Dr. Douglas present.

A. No, sir.

Q. Judge Douglas?

A. No, sir. I don't think he was.

Q. No one of the Board of Regents?

A. I am not certain about that; I know *those* parties were not present.

Q. Do you recollect any others?

A. Mr. Pond may have been present; I am not certain about that.

Q. The present counsel in this case?

A. Yes, sir.

Q. What was the result of the consultation?

A. Simply what I have already stated: that application should be made for references in these cases,—in these cases pending in law, and in case of refusal that a bill for an accounting should be filed, and beyond that the discussion did not go.

Q. Was it agreed at that consultation that you should draw the bill, or that the draft should be sent to you for you to complete?

A. There was some such understanding as that, I think.

Q. Was this bill sent to you for you to complete?

A. Not at all. It was sent to me completed, with instructions simply to in-dorse and file. The matter of filing the bill had been delayed some months after the consultation. I think this consultation was in August last.

Q. Is it not one of the main questions to be settled in this controversy a question of forgery, and is that a proper question to be presented to a jury?

A. Yes, sir. I suppose that any one familiar with chancery practice must know that it is within the power of the court at any time, when to him it may seem proper, to send one particular point to a jury and retain the remainder of the case.

Q. Did you ever consult Judge Douglas and Ashley Pond in relation to planning the chancery suit?

A. I never had any consultation with Judge Douglas about the matter, one way or the other.

Q. Did you with Ashley Pond?

A. Nothing beyond that I have said on the occasion to which I have already referred.

Q. In such a case as that which you have just spoken of, does the verdict of the jury bind, or merely advise the court?

A. My recollection is that it binds the court. I am not certain about that. If you will give me the Revised Statutes I will inform you.

Q. Did you ever hold any consultations in regard to this matter with the Board of Regents, and any other of the parties here in this place?

A. No, sir, I think not. I desire to say, in justice to Dr. Douglas, that he has never consulted with me or urged me, or had anything to do with my conduct here with reference to the Board of Regents. When we had consultations he never knew they were to occur, and I do not know that he ever knew they had occurred. I never consulted with him about it,—never referred to it.

H. D. BENNETT SWORN—FEB. 6, A. M.

By Mr. Kelley :

Q. Do you reside in Ann Arbor?

A. Yes, sir.

Q. Are you connected with the University?

A. Yes, sir.

Q. In what capacity?

A. Secretary of the Board of Regents and Steward.

Q. How long have you been connected with the University?

A. I have been connected with it since '69.

Q. Do you know Professor Rose?

A. Yes, sir.

Q. Do you know how long he has been connected with it?

A. I only know by records; he was there long before me.

Q. He has been there ever since you have been connected with it?

A. Yes, sir.

Q. In what department has he been employed?

A. In the chemical laboratory.

Q. Do you know what his duties were?

A. His duties were to dispense chemicals and keep the books.

Q. Have you at any time examined the accounts of the laboratory?

A. Yes, sir, I have several; I looked them over?

Q. When did you look those accounts over?

A. The accounts usually represented by Dr. Douglas at the June meeting. I generally looked them over between the meeting of the committee they were presented at and the next meeting.

Q. Are you speaking of the books of account kept in the laboratory department, or of Dr. Douglas' annual reports?

A. The annual reports.

Q. Have you looked over the books of account in the laboratory department, vouchers, etc.?

A. Yes, sir; looked them over after they they came there. They were sent over to the laboratory from my office.

Q. When was that?

A. That was, I think, in October.

Q. What year?

A. '75.

Q. Had any of the books pertaining to the laboratory department come into your possession before that time?

A. Not one.

Q. Were there any vouchers or papers pertaining to that department, except the annual report of Dr. Douglas, in your custody prior to that time?

A. There were some old papers that are here now.

Q. What books were then placed in your care?

A. There were stub-books, ledgers, pharmacy ledger, and what they call tickets, or certificates of deposits. I think that is about all books that they had been using over there on that side.

Q. Were those books brought for your custody before or after this defalcation was discovered?

A. After. I would state that the tickets always presented in Dr. Douglas' statement did not come from them at all.

Q. Did you serve upon a committee any, investigating the laboratory accounts prior to the books being brought there?

A. No, sir.

Q. Did you assist in examining any accounts of the laboratory before the books were finally put into your possession for safe keeping?

A. No, sir.

Q. Did you assist Dr. Douglas at his house one evening.

A. No, sir.

Q. Why were the books placed in your custody?

A. I can't tell you. The first I knew about it they were sent over.

Q. What instructions were given to you in reference to keeping those books?

A. One particular instruction was to put them in the vault.

Q. After they were put in that vault, who had access to them?

A. There was no one in particular that had access to them. I myself and the Regents had access to them when they were there, when they stepped into the vault.

Q. Did anybody else?

A. I used to take in occasionally Dr. Rose and Dr. Douglas—both of them.

Q. Did you ever allow Dr. Rose or Dr. Douglas to examine those books when you were not present?

A. No, they examined when I was present in my office.

Q. Were the books in your office?

A. The vault connects with my office; opens out of my office.

Q. Did you let Dr. Rose take any of those books from the vault or from your office?

A. No, sir.

Q. Did you allow any other person?

A. Not until I had orders to do it, or rather had permission to.

Q. Did you allow Dr. Douglas to take any of those books, after they were put in your custody, from the office?

A. Not until after these examinations were made, and then he has not taken any books from my office.

Q. I am speaking of the laboratory books.

A. I retained them.

Q. Where did [During?] the examination of the Olimie committee did Dr. Douglas have free access to those books?

A. Yes, sir; in my office he had.

Q. Did he never take them out of your office?

A. I think not.

Q. Did you ever have any difficulty with Rose with reference to the examination of those books?

A. No.

Q. Did you ever have any trouble with Dr. Douglas about them?

A. No.

Q. Were you present when the letter *D* was cut out?

A. Yes, sir.

Q. You saw those cut out?

A. I did not. I was in my office.

Q. Where was the letter *D* cut out?

A. I was sitting at my table on the south side of the office, and Dr. Douglas was perhaps sitting at another table at the west part of the room, and came to me and called for the stub-book,—wanted to see it, and I handed it him as I always had before, and he sat down to a table and cut them out without any knowledge or consent of mine. He showed them to me after he had cut them out.

Q. What instructions were given you with reference to the custody of those books after the examination was commenced?

A. After we had got through with the examination in June I was instructed not to let any copies be made,—to let anybody have access to the books.

Q. The examination in June of what year?

A. 1876.

Q. That is the committee known as the “Grant-and-McGowan” committee?

A. Yes, sir.

Q. Who gave you such instructions?

A. The chairman of the committee.

Q. What is his name?

A. McGowan was chairman.

Q. What Regents gave you such instruction?

A. Well, I don't know as any particular Regent.

Q. Will you give those instructions as you recollect them?

A. Yes, sir.

Q. Was it in writing?

A. Yes, sir.

Q. Will you read it?

A. "H. D. Bennett, Steward of the University: Sir—The undersigned, a committee appointed by the Board of Regents to examine into the laboratory accounts, etc., having entered upon an examination, request that until further notice from us you withhold all books, documents, and papers necessary for our use in such examination, from the copying or inspection of other persons than the members of the committee or other members of the Board of Regents. Jonas H. McGowan, Chairman. Ann Arbor, June 9th, '76."

Q. Was that the only instruction you ever had with reference to keeping those books from the inspection of Dr. Rose?

A. That is the only instruction in writing that I had.

Q. Is that the only instruction you ever received with reference to keeping those books from Dr. Rose?

A. I think that is all.

Q. Did Col. Grant ever say anything to you?

A. I think not in reference to those books and Dr. Rose.

Q. Did he say anything with reference to copying those books?

A. I think not anything more than this: that is, the instruction from the committee.

Q. Did you permit Dr. Rose to examine those books for 1875-6 and make copies?

A. Dr. Rose had all the books.

Q. Did you permit him to examine the books after receiving that notice,—to make copies for 1875-6?

A. I don't think Dr. Rose asked me to do that.

Q. Did not his accountant make the request?

A. I think he did.

Q. Did you grant his request?

A. I think not. I did not give anybody any chance to do it after that.

Q. After the report of the June committee did you allow Dr. Rose to examine any or all books pertaining to the laboratory department in your possession?

A. Neither Dr. Rose nor Dr. Douglas.

Q. Has not Dr. Douglas had access to those books since the report of the June committee?

A. No; very little. He has not had access only by permission or by authority of one of the Regents.

Q. Has he not frequently examined the books since the report of that June committee?

A. Very seldom. No, he has not. Very seldom since then?

Q. Has he ever?

A. In one or two instances he has looked at the work of Mr. Tregaskis,

Q. Has he not gone to that vault and taken books from there into the President's room and kept them there for several hours at a time?

A. I have no recollection.

Q. Don't you know that he removed books from that vault and taken them into the President's room?

A. He allowed him to take that one.

Q. Which one?

A. Tregaskis' work; that is the only one.

Q. Were you present at the time Rose called to make some corrections to a statement or list that he had given to the Regents?

A. I suppose I was.

Q. Do you recollect that?

A. I don't know exactly what time you refer to.

Q. I refer to the time that a certain list had been furnished,—the names of missing vouchers, I think it was. Irregular accounts?

A. Yes, sir; I was present. At least I was in my office sitting at my table.

Q. What did the doctor want to do with that statement?

A. He wanted to make a "supplemental statement," he said.

Q. Were you present when the certificate was signed upon that list?

A. No, sir.

Q. Did you hear any conversation between the Dr. and the President when that certificate was signed?

A. I was not present when the certificate was signed.

Q. Were you afterwards?

A. Only at that time.

Q. State the conversation that took place?

A. I don't know. I would rather you would ask me the questions than undertake to state it.

Q. I am not supposed to know that conversation. You were present and heard it. We want you to state the whole conversation just as you heard it.

A. Well, the Dr. was there, and as I recollect it, asked for that statement first, and sat down to a table, and after a time, I think—I don't know as he sat down to the table at all, he asked to make a supplemental statement to that, and the President said he was unwilling that he should write anything upon that statement, and there was some considerable conversation about it, and the Doctor—

Q. The conversation is what we are inquiring for. State that conversation just as you heard it.

A. As near as I can recollect it,—I can't remember much of it any way.

Q. Did the Dr. say anything to the President or you to make him make any additions or writing upon that paper?

A. Yes, sir; the Doctor insisted that we ought to have a right to make a supplemental statement.

Q. Did he give any reasons for it?

A. He might; I don't remember what reasons he did give.

Q. Don't you recollect what was said?

A. I don't remember what reasons he gave for it. I know he claimed the right of making the statement.

Q. What did he base that right upon?

A. I supposed something that had been said before.

Q. Do you recollect his repeating to him any promise that had been made him when he signed the certificate?

A. I don't recollect of his repeating it once. I don't recollect that there was anything said about it. There might have been, but I don't know.

Q. What else transpired?

A. I heard considerable conversation about it. The Doctor finally took up the paper and said that if he could not make that supplemental statement upon it he should insist upon taking it away, and the President said to him that he thought he had not better do that; that he thought it would be unwise. The

President objected ; said that he wanted that paper to go to the committee as it was ; that is, the executive committee, as I recollect it. Finally the Doctor stated that if he could not make that statement he would carry it away. After some conversation about it, the President said that he advised him not to do that, and stepped into his office and left the Doctor with me. We were both there together, and I advised the Doctor not to be hasty about it. The Doctor was a good deal excited. I thought it would be better for him to leave it, and promised that he [I] would file the supplemental statement. I think the President consented that he should write "see supplemental statement" on the bottom of this statement. I think that was about the substance of it, as near as I can remember it.

Q. Have you ever assisted in examining and auditing the accounts of Dr. Douglas?

A. Yes, sir ; I looked over his annual statement for two or three years.

Q. Was it usual for you to look over it and see that his annual statements were correct?

A. The chairman of the finance committee for three or four years handed them to me and asked me if I would look them over and compare with his statements.

Q. Did you ever scrutinize the reports to see whether they were proper charges or improper?

A. I did not. I did not know anything about them.

Q. Did you ever examine the reports to see if they were correctly footed, and the amounts?

A. I did not pay so much attention to the footing as I did in comparing the vouchers with the statement.

Q. Did you ever discover any mistakes in the footings of those reports?

A. Yes, sir.

Q. Did you report it?

A. Yes, sir.

Q. What year was that?

A. That I cannot tell you, without looking at the reports.

Q. Do you keep the accounts of the University?

A. I do not know.

Q. Did you before 1866?

A. Oh, no ; I was not there until 1869.

Q. I mean in 1876.

A. Yes, sir,—from the time I went there up to 1870.

Q. When these reports of Dr. Douglas were audited, did they enter into the accounts of the University in any manner?

A. Not at all, in any manner.

Q. No entry made of them?

A. No, sir ; not on our side.

Q. Did Dr. Douglas appear to be charged upon the University books with any money placed at his disposal?

A. No, sir. The money paid into the laboratory was at his disposal.

Q. I mean other money,—special appropriations placed at his disposal.

A. If he had any appropriations, that would appear in the warrant book.

Q. Have you that book?

A. The books of the warrants that have been drawn for years are in my office.

Q. Where are those books?

A. The books for the warrants we have.

Q. You have them in the office?

A. Certainly; they covered salaries and other appropriations to the University.

Q. The warrants for salaries of assistants in the laboratory department were drawn and given to Dr. Douglas,—were they not?

A. Yes, sir; for a number of years.

Q. Was there an account kept between the doctor of such amounts as they have placed at his disposal for that and other special purposes?

A. No.

Q. Is it not a fact that in nearly every annual report of Dr. Douglas there are large mistakes in the footings, amounting in some cases to several hundred dollars?

A. I should think not.

Q. If it is so, you did not discover it from your examination?

A. I did not. I know one year I discovered there was a mistake, and had it corrected.

Q. I understand you to say that the executive committee usually referred these reports to you?

A. The finance committee.

Q. What instructions did they give?

A. Nothing more than to compare the vouchers with the statements.

Q. Did you always find a voucher for everything charged against the University?

A. No: his traveling expenses and some things of that kind had no vouchers.

Q. Was your attention ever called to such matters?

A. No.

Q. Did you usually make your report back to the finance committee in writing?

A. No; simply returned it to the finance committee.

Q. Did you ever know of one of these reports having been examined by that committee?

A. I think the finance committee or some one of the finance committee assisted me occasionally.

Q. Did you ever suggest to Regent Gilbert that there should be some system devised by which you [?] accounts of the laboratory could be kept?

A. I don't know as I made such a suggestion.

Q. Do you ever know of anybody's suggesting it?

A. I don't remember that I do.

Q. Didn't you have any conversation with him on that subject?

A. I don't recollect of any; I might; I can't remember now.

Q. Through whose authority were those books taken from the vault within the last month and taken to Gov. Felch's house?

A. Here is a letter from Gov. Felch, solicitor of the Board of Regents.

Q. Did you ever know of any laboratory books having been taken from the office besides those taken upon this order from Gov. Felch?

A. That is all, I think.

By Mr. Taylor:

You say that Dr. Douglas has had access to the books and papers after you had received that letter from McGowan?

A. Yes.

Q. When [that] he did have access at times?

A. Very seldom that he had access. I don't think he ever—

Q. Answer the question. You say he did have access to those books?

A. Not without my consent.

Q. You say he "seldom had access," and once you allowed him to take the work of Mr. Tregaskis into the President's room and examine it there by himself?

A. Yes, sir.

Q. Did you get the work for him?

A. I think I did.

Q. At his request?

A. Yes.

Q. After you were ordered to allow no one to investigate those books?

A. Well, I had authority from Col. Grant. The Dr. came in there one day and said he wanted some information that he could not get any other way,—anywhere else except from Tregaskis' book; and he asked me how he could get it. I said, "an order from the Regents;" "authority from the Regents," was my reply to him.

Q. Did he bring that authority?

A. Col. Grant stepped into the office before he went home, just after this last meeting, and he said he could not see any objection to the Dr. making a list of the delinquent accounts. That is what he said he wanted to make.

Q. You allowed Dr. Douglas to go into the vault and get that book?

A. No; I went in and got the book myself.

Q. Did you ever allow Dr. Douglas to go into the vault and get any books, papers, or anything appertaining to the laboratory?

A. No, sir; I never consented to his going in there at all.

Q. Did you [he?] ever do it?

A. Yes; I guess he did.

Q. You did not consent to his doing it?

A. No.

Q. But he did do it.

A. Never went in there to take out any books and papers.

Q. He went in there to examine books and papers?

A. He went in there, I think, once or twice. He never went in many times.

Q. He did go in once or twice?

A. I think so.

Q. You are certain of that?

A. I think so.

Q. Did you enter any protest against it?

A. The Doctor understood that he was not to have any books and papers at all, except by authority of the Regents.

Q. What did he say?

A. There was not very much said.

Q. What did he say?

A. I don't remember what he did say. Said there would be no harm.

Q. To the best of your recollection, what did Dr. Douglas say at that time?

A. I don't know as I can tell what he said. I don't know as I can remember

Q. There was some conversation after you entered your protest?

A. I don't remember what I did say.

Q. Didn't you have authority to keep him out of that vault?

A. Yes, sir; I suppose I could keep him out; I could prohibit him from going in there at all.

Q. You did not prohibit him going in there?

A. I supposed if I had forbade him—he stepped in, I think, once or twice when the vault door was open.

Q. How long was he in there?

A. He never was in there but a moment; never was left in there to examine books and papers, or to take any papers.

Q. Don't you know what Dr. Douglas said to you when you forbade him going into that vault?

A. I don't know.

Q. I would like it answered. Don't you know the conversation that took place in regard to that? It is an important matter, and seems to me you ought to remember it?

A. I don't remember it, Mr. Taylor. If I did I would tell it.

Q. Do you remember any part of it?

A. I don't know as I do.

Q. Have you had any conversation in regard to this during the past week?

A. No; not a word. I don't know as I have scarcely seen Dr. Douglas during the week. I have seen him on the street.

Q. State what you said to Dr. Douglas at that time?

A. I don't remember just what was said. I don't remember enough about it. I don't think I said much at that time.

Q. Did you enter any complaint to Dr. Angell or the Board of Regents relative to Dr. Douglas entering that vault?

A. I don't think I did.

Q. Did you ever say anything to Dr. Angell about it,—about Douglas coming there and going into the vault?

A. I don't think I ever said anything about it. I don't know but I did: I think not, however. I have no recollection about it.

Q. Did you not have an altercation with Dr. Douglas at one time when Mr. Tregaskis was present in regard to his going into that vault?

A. When was that; how long ago was that? I don't remember.

Q. When Mr. Tregaskis was at work there any time, or several times.

A. I don't remember ever having anything of the kind. If I did I have forgotten it.

Q. Then I understand you that you allowed Dr. Douglas, after you were prohibited by the Board of Regents,—you allowed Dr. Douglas to enter that vault?

A. I did not allow it: he entered without my consent.

Q. Did you express your disapprobation of it at the time?

A. I don't know whether I said anything or not. I did not approve of it: I know that.

Q. How do you know that you did not approve of it if you did not say anything?

A. I knew my feelings about it.

Q. You did not say anything?

A. I don't think I said anything about it to him.

Q. Allowed him to go. Did you allow Dr. Rose?

A. I would allow Dr. Rose the same privileges that I would Dr. Douglas.

Q. Did you allow Dr. Rose or his book-keeper to come in there after they were forbidden?

A. The Doctor has not asked me except once; that was when his accountant came here. Never but once.

Q. I understood you to say that you thought Dr. Douglas never took any books away from there after June?

A. I am sure he did not.

Q. When Dr. Douglas came there to enter that vault, and you stated to him the facts or the command which you had from the Regents, did he make any threats towards you?

A. Oh, no; I think not.

Q. You remember they did not?

A. When I showed him that letter,—I showed him that when he came in one day and wanted the books.

Q. Still you allowed him to come in there right along?

A. Oh, no, sir. There was a long while he has never stepped into the vault more than once or twice.

Q. Did not Rose say to the President, "When I signed this certificate you told me I could correct it at any time?"

A. I don't know about that. He may have said so. I don't remember that. I don't know about correcting it. That was his supplemental statement, I think.

Q. Since President Angell has been sworn before this committee has he not talked with you about this certificate?

A. I guess he may have asked me how I understood it.

Q. You have held a conversation with him about it?

A. Yes, sir. That is the only question that he asked me.

Q. Did not Dr. Angell tell you what Dr. Rose had sworn to, [on?] the same subject?

A. Well, he said there was a difference in their recollection about it.

Q. Then you held a conversation in regard to this certificate?

A. Not any more than that. The doctor was speaking to some one in the office. I don't know who it was.

Q. Were you not requested to state your understanding?

A. I think not.

Q. Will you state it?

A. No.

Q. Where was this conversation had?

A. It was in my office.

Q. Who was present?

A. I think Regent Climie was present.

Q. Since this committee has been in session?

A. Oh, yes; a few days ago.

Q. Did you not, before the Regents in December, 1875, say that Rose said to Angell, "When I signed this paper you agreed that I might make any correction at any time," or words to that effect?

A. I don't think I did. I don't recollect any such language as that.

Q. Did not Rose, at the meeting of the Regents in December, 1875, confront Angell with this statement, and did not Angell confess it there?

A. I don't know about that, sir. I must say that I have no recollection about that at all in that conversation.

Q. When did Dr. Douglas hand in his report for '74-5?

A. I think that did not come in until the October meeting?

Q. Are you sure it came in in the October meeting?

A. I think so. That is my recollection. I will have to refer to the minutes. I think that is my recollection.

Q. Did he afterwards take it away to alter it or change it?

A. In '74-5 do you refer to?

Q. Yes; the report for '74-5.

A. The report for '74-5 Dr. Douglas did not hand in until October, and when he handed it in (I think I remember about that), he included five quarters. That was up to the time he made the change. I told him that would not do, that he would have to take that report and make his statement covering one year, and then make a quarterly report.

Q. What five quarters did this report cover?

A. That would be from July, '74, to June 30, '75.

Q. That was part of the report of '73-4 and '74-5?

A. No; '74-5: that would come in.

Q. How did he get five quarters in one year?

A. He could not get it in one year, but he put five quarters in that report. That was a mistake, and I told him it would not do, and he would have to return it. He could not report it in that way.

Q. Didn't you know what time five quarters cover?

A. From July, the beginning of the fiscal year '74, to June 30, '75, makes four quarters. He did not hand it in until the October meeting, that would be July, August, and September of the following year.

Q. Let me ask one question right here: How could Dr. Douglas have put in five quarters when the change was not made until the October meeting?

A. Well, that is the way it was. I guess I can show it to you. If I had the papers I could very soon explain it. When he handed me the report, this all came together, and I told him that he must take this and separate the two, and hand in that quarter by itself, and have this report for a straight year. That is the way this makes simply one year.

Q. Are you sure that Dr. Douglas presented his annual statement for 1874-5 at the October meeting?

A. I am not certain about that.

Q. When did he hand it in?

A. I think that statement was never presented to the finance committee. He handed it to me and deposited it in my office.

Q. When?

A. My impression is that it was along about the first of October. That is my recollection of it.

Q. Are you certain of that?

A. As certain as I can be.

Q. Is there any record of it?

A. No; I don't think that was ever presented to the Board. This trouble came up so soon that no action was taken. That is my remembrance of it; that was—

Q. Then this report was not presented to the finance committee?

A. I think not.

Q. It was simply left in your office?

A. Left in my office there.

Q. When was it presented to the finance committee?

A. I don't think it has been presented at all.

Q. Was it in your hands at the time of the October meeting of the Regents?

A. I can't say about that. I think there is some doubt about it.

Q. Can't you answer that question?

A. Not positively. I don't recollect distinctly.

Q. Has it been in your hands prior to the October meeting?

A. I am not clear on that point. I am [not] certain but it was, but I am not certain that it was. I have no distinct recollection about it. The best I can [do?] is my best recollection in reference to it. I remember dividing the report as you see it here. It all came together, and I told him he must make an annual report as he had heretofore, and then make a quarterly report.

Q. When did you tell him this?

A. At the time that he handed it to me: about the time that he handed this report in.

Q. About the time of the October meeting?

A. I should think it was not far from that, as near as I can remember.

Q. Since this committee has been in session have you had any consultation with Dr. Douglas about cutting out those letters?

A. Not at all.

Q. Did Regent Grant, or McGowan, or President Angell?

A. I have expressed my disapprobation of his removing them,—cutting them out.

Q. To whom?

A. To Regent Grant. I thought it a very unwise thing.

Q. You have had a conversation with him about that matter since this committee was in session?

A. I spoke of it because I saw it noticed in the testimony. That is what called my attention to it.

Q. How about Mr. McGowan? Did you have any conversation with him about it?

A. Just the same thing. I told him I disapproved of it; thought it was bad policy to do it.

Q. Have you had consultation with the two together?

A. No consultation. It was spoken of in the testimony.

Q. Was Dr. Douglas present?

A. No, sir.

Q. Was President Angell present?

A. I think not.

Q. You can't tell when Dr. Douglas handed in his report for '74-5?

A. I don't remember any nearer than that.

Q. He afterwards took it away and changed it?

A. Yes, sir. He afterwards took it away and made an annual report, and then made a quarterly report after that.

Q. Was the report originally presented rewritten, or is the original manuscript here now?

A. I should think it would be written. He took off a portion, and it came back, as I stated, just as you see it here.

Q. What was Dr. Douglas' object in including five quarters?

A. The change was to take place at the end of the fiscal year ending June

30, '75. After that he was to report quarterly, so that the report could go into the regular reports at Lansing, for instance.

Q. When did he return it?

A. Which is that?

Q. That report. After he had taken it away and altered it, when did he return it?

A. That is the same thing. I don't recollect as to time. It might have been just before or after the October meeting.

Q. How long was it out of your hands?

A. It was not very long, I should think. I did not make any memorandum of it. I did not know that it was of any importance when I have the reports there. It is difficult to recollect.

Q. Previous to June first was not Dr. Douglas in the vault sometimes as long as 15 or 20 minutes at a time?

A. He has been in there as long as that with some of the Regents. Do you mean that he was in there alone?

Q. Yes; was he ever there alone?

A. I think not as long as that.

Q. He has been there alone?

A. Yes; he used to step in there before that occasionally.

Q. Were the Regents with him at [those?] times?

A. They might have stepped in there. It is seldom that the Regents were there, any of them.

Q. Did you allow Dr. Rose to go in there alone?

A. He never asked me. I used to go in there with him if he wanted to go in there, or I would go in and get the books as he wanted them.

Q. You allowed Dr. Douglas to go in there alone?

A. He had the liberty to go in there alone occasionally.

Q. What do you mean by saying "he had the liberty to go in there alone?"

A. He went in alone.

Q. Against your protests?

A. That was before the June meeting,—before I received that order he used to go in and look at the books.

Q. Has not Dr. Douglas also been alone in the President's room with books, stub-books, vouchers, etc., for hours at a time, and sometimes a half a day?

A. I don't think he has, sir; no recollection of any such thing as that. Not so long as that.

Q. Has he been there alone at any other time?

A. No, for those books generally had [by?] them were in my office there. Sometimes they were in the President's office previous to the June meeting, but generally in my office.

Q. But he has at times had books and papers in the President's office?

A. He took them in there out of the noise and interruption.

Q. Alone?

A. Yes, sir.

Q. Did not Dr. Rose's accountant ask you more than once—several times—for access to the books, papers, etc.?

A. I hardly understand the question.

Q. Did not Dr. Rose's accountant ask you more than once—several times—for access to the books, papers, etc.?

A. At what time?

Q. Since the instructions were received by you?

A. No, sir; he has never asked me but once, I think. That was the time Mr. Briggs was there, and I think Mr. —, I don't remember his name.

Q. Is it not true that Dr. Douglas would go into the vault and help himself to books, take them into the President's room, and keep them as long as he wanted to?

A. No, sir; I think not.

Q. Did you ever interfere since those instructions?

A. He has not done any such thing.

Q. Before the instructions?

A. He did sometimes go into the vault and take them that way, but never kept them long.

Q. Keep them as long as he wanted to?

A. Generally in my office, to examine the books at one of the tables at the west end of the room; very seldom in the President's room.

Q. Did you paste papers over the footings of Dr. Douglas' annual reports, or alter the footings of the reports in any way?

A. No, sir.

Q. Did you pay a check or warrant of \$425, more or less, for commission on the last enlargement of the laboratory? To whom? and did you not refuse at first?

A. I don't think that was paid at all by check or warrant. I think that was charged up on the annual statement. Give me that statement and I can show you.

Q. I asked you.

A. I don't think there was any warrant drawn. Of course he could not take a warrant, because I draw the warrant and sign it. The warrants are drawn and signed by the President and myself, on the Treasurer. Of course I could not pay that. I think the statement itself will show, if Mr. Tregaskis will hand me the statement of that laboratory margin.

Q. Did you draw a warrant for the amount which was paid Dr. Douglas at that date, the laboratory margin, \$425 more or less?

A. I can't tell you about that. I could tell very soon if I had the warrant book. I would not want to answer that question without first looking at the book.

Q. Is the warrant book for that year now in the University?

A. Yes, sir.

By Mr. Mills :

Q. You spoke of the report by Dr. Douglas of five quarters, instead of the year. Had the Regents previous to that report passed a resolution requiring a report every three months, or was it after that?

A. I think the resolution was passed after that. That is my recollection about it.

By Mr. Taylor :

Q. Does not the law require that to be done before the resolution referred to was passed?

A. I would have to look that up and see.

By Mr. Kelley :

Q. Did you find vouchers for every charge in Dr. Douglas' report, except traveling expenses or other business of a like nature?

A. I think there was occasionally a missing voucher,—not very often. The annual reports themselves will show that.

Q. Point out any case of that kind in the report,—where there is a missing voucher, if you can do so.

A. Of course there are no vouchers for interest, to begin with. As a general the vouchers were all present.

Q. When Dr. Douglas was in your office and you wished to leave temporarily, had he not voluntarily left and remained outside near the door, with the door locked, until you returned?

A. In some instances.

Q. Did Dr. Douglas state to you for what object the letters *D* were cut out?

A. Dr. Douglas claimed that some of them were not his.

Q. That is not an answer to the question.

A. He wanted, I think, to show them to some persons who were experts to see if they could see any difference.

Q. Did Dr. Rose to your knowledge ever say anything in regard to his responsibility for the stubless accounts?

A. Oh, yes; once.

Q. State what it was.

A. That is, during the conversation he had with the President. The President asked him, "What about the stubless accounts? If he held himself responsible." His answer was, "Most certainly I do." I guess he remembers that.

Q. Is that all the conversation?

A. That is all there was about it. There was but little conversation.

Q. Did you ever hear any other conversation with reference to the same subject matter?

A. No.

Q. Did you and Regent Grant have any intelligent understanding about the report of Dr. Douglas which was referred to you and Grant?

A. Will you state the report you refer to?

Q. '73-4.

A. The only mistake I remember anything about is that the warrants for the assistants were not included in the account.

Q. At the time President Angell asked Dr. Rose if he held himself responsible for the stubless accounts what did you understand by "stubless" accounts?

A. Accounts made on the ledger where we did not find any tickets corresponding.

Q. Where he did not find any stubs?

A. Yes; that is what I understood.

Q. Did you and Grant ever examine any annual statement of Dr. Douglas?

A. Yes.

Q. Did you [find] charges in that statement that you would not pass as correct?

A. The errors I remember were these: that the warrants were not charged up here, and some of the vouchers,—I think I called his attention to that. Instead of presenting the drafts for the payments of the bills, the original bills themselves should be presented. That was the only objection I remember of making to that statement.

Q. Did you find charges which you did not pass upon as correct, and have you not stated so?

A. No; I don't recollect anything about that.

Q. Did Regent Gilbert ever give you any instructions to pay at any time any commissions to Dr. Douglas?

A. No, sir.

WILLIAM A. TOLCHARD SWORN—FEB. 6, A. M.

By Mr. Kelley:

Q. Do you reside in this city?

A. Yes, sir; I do.

Q. What is your vocation?

A. I am a teller.

Q. Where?

A. In the First National Bank of this city.

Q. How long have you been there?

A. Nearly eight years.

Q. Were you there in June, '73?

A. I was there during that month.

Q. Look at that check dated June 23d, 1873, for \$911.94, and say if you ever saw it before.

A. I may have seen that check, but it was paid on a day that I was absent from the bank.

Q. Are you acquainted with the signature of Dr. Douglas?

A. I am.

Q. Is that his signature on the check?

A. No.

Q. Whose signature is it?

A. The signature of his son William.

Q. Do you know whether the amount represented by that check was ever paid by the bank?

A. It was.

Q. Any record of it on the bank books?

A. There is, sir.

Q. Refer to them, if you please.

A. On the 23d of June, '73, a check was charged to Dr. P. B. Rose's account of \$911.94. On the journal on that day appears a check in regular order charged to his account, which I submit for your inspection.

Q. Do you know whether it is paid in currency, or entered into any other account on the bank books?

A. I can't say whether it was paid in currency, but it was paid in our exchanges with another bank then in existence in this city.

Q. Was it credited to any other person on your bank book?

A. It was not by any indication that appears there.

Q. You have no knowledge as to who received the money on this check?

A. I have no knowledge except that the bankers received the money on that check in settlement of their account.

Q. What bankers?

A. Miller & Webster, who indorsed that.

Q. Of this city?

A. Of this city.

Q. You say you know the signature at the top?

- A. The signature is that of the doctor's son, William, who signed for him.
- Q. Did you ever see that paper before [presenting a check]?
- A. Yes, sir.
- Q. Where did you see it?
- A. I saw it in our bank.—the First National bank of this city, June 26, 1874.
- Q. Do you know to whom the money was paid on that check,—the credit given?
- A. The credit was given to Dr. S. H. Douglas for \$1,290 on that day. Under date of June 26, '74, a credit was placed to Dr. Douglas' account, of \$1,-334.95, composed of two items,—the check for \$1,290 and a check for \$44.95.
- Q. Was that check one of the items?
- A. It was, sir. I submit this ledger to your inspection.
- H. Whose check was the \$44.95?
- A. H. D. Bennett's, Secretary of the University of Michigan.
- Q. Did you ever see the check now shown you before?
- A. I have sir.
- Q. Where did you see it?
- A. I saw it at our bank. The check is dated July 6th, '75, for \$668.99.
- Q. Was it paid at your bank?
- A. It was.
- Q. To whom?
- A. S. H. Douglas, and credited on his account. Under date of July 6th, '75, a credit appears on our books to Silas H. Douglas' account, of \$668.99.
- Q. Will you give the statement of Dr. Rose's account from the 1st of June to the 6th of July, '74, debits and credits?
- A. The balance to his credit on the 1st of June was \$775.36; on June 12th, \$568.45; on June 18th, \$135; June 24th, \$415. That is all.
- Q. Go right along to the 6th of July with the credits on his account.
- A. July 1st, \$200. Those are the only credits that appear at that time.
- Q. What is the balance he had in the bank on the 26th of June?
- A. On the 26th of June, after paying that check of \$1,290, he had \$3.81.
- Q. What was the balance to his credit after the check of June 23d, '73, was paid?
- A. The balance at that time, after paying that check of \$911, was \$84.06.
- Q. What was the balance after paying the check of the 6th of July, '75?
- A. \$182.25.

ALBERT B. PRESCOTT SWORN.—FEB. 6, A. M.

By Mr. Taylor:

- Q. You are in the employment of the University of Michigan?
- A. I am.
- Q. In what capacity?
- Q. Professor of organic chemistry and pharmacy.
- Q. Your duties are to some extent confined to the laboratory?
- A. In part,—not wholly in the laboratory.
- Q. How long have you been in that position?
- A. Since June, 1865, I have been assistant professor.
- Q. Has Dr. Rose been employed in the laboratory during that time?
- A. During most of that time since the year 1865-6.

Q. In what position?

A. In the [laboratory] as accountant and instructor.

Q. Did he have anything to do with keeping the books?

A. He kept the books and dispensed chemicals. They were in his sole charge; that is, he kept them altogether.

Q. Was your attention ever called to certain delinquencies of the accountants of the laboratory, or supposed delinquencies?

A. In October, 1875, I was, sir.

Q. By whom?

A. By Dr. Douglas first.

Q. The Director of the laboratory?

A. Yes, sir.

Q. State how he did it, and what the circumstances were?

A. He said to me that in making up his accounts he found certain accounts of students whom he knew to have been in the laboratory that had not been reported to him.

Q. Did he state how he ascertained it?

A. I think he said that he had ascertained it by examining the ledger, and finding that they had paid their accounts on the ledger.

Q. Did he suggest any thing to be done in that connection?

A. He asked me to go over the books of the preceding year with him. After some hesitation I consented to do so.

Q. What year?

A. The year '74-5, I believe.

Q. Did you look them over?

A. We did, sir.

Q. When and where did you examine them?

A. At his house. We compared the ledger of that year,—the preceding year,—with the vouchers which were then there.

Q. You had the books for that year?

A. We had the books for that year, and vouchers.

Q. Who brought them there?

A. I don't know, sir.

Q. Were they there when you got there?

A. I think so at that time. As I went into the room, or soon after (I think some one said at the inner door), "Some one is here," I don't remember who, and the Doctor remarked here are the books now; and they were brought in and laid upon the table from the inner room at that time.

Q. The first time you met in examining those books was at Dr. Douglas' house, was it not?

A. The first time.

Q. What books did you have at that time?

A. I said the ledger of the preceding year.

Q. Any more than one?

A. The pharmacy ledger and the ledger for qualitative and quantitative analysis and the indexes belonging to them. I have no recollection of there being any other books there. We did not use any other books.

Q. Did you go through with the entire year?

A. We went through the entire year, leaving some few accounts that were partial accounts.

Q. How did you find the vouchers compare with the accounts in the ledger?

A. We found an amount of different accounts not represented in the vouchers, making up some \$600 or more. I don't remember the precise amount.

Q. Did you make a list of them?

A. We did, sir; I think I wrote it. It was called off. I wrote a part of it perhaps.

Q. At whose request did you go over there to make that examination?

A. The request of Dr. Douglas. I said to him if there was to be an investigation, I was not the most suitable person to make it and report upon it. He replied that he did not wish any report unless it should be ascertained there was some deficiency. If everything was all right he did not wish any one to know any inquiry had been made, and with that consideration I consented.

Q. Did you ever have any connection with the examination of the account after that night?

A. I did not, sir.

By Mr. Mills:

Q. Who called off the accounts for you when you made your list?

A. I can't tell; I think we changed. I looked them over some time. We made several lists; made first a list of the accounts and then a list of vouchers, and then some single vouchers covering several accounts. It took us some little time to adjust them and see what accounts were covered by vouchers, and some few were left undetermined.

By Mr. Taylor:

Q. Do you remember a list of accounts made out by Rose and delivered to Douglas, purporting to be a correct list of the amounts which he had rendered and paid over to Douglas?

A. I remember such a list,—a list in what is called the long book.

Q. Do you remember the name of Grimwood in the list?

A. I do. My attention was called to the name by Dr. Douglas.

Q. State how your attention was called and to what purpose, and what you found in that connection?

A. He wished me to notice that it was in different ink than the rest. It was in an ink that was bluer and lighter and brighter than the others.

Q. Do you know whether this is ink that turns black after a time?

A. I don't know, sir. It was like the ink that turns black after a time.

Q. To all appearance it looked more recently written than the other names?

A. It looked as recently written ink would.

Q. How did it compare in that respect with the other names on the list?

A. I said it was bluer and brighter and paler.

Q. And turns blacker afterwards?

A. It would exactly correspond with the writing of the ink which darkens in drying and standing.

Q. Did Dr. Douglas say anything to you as to whether he had received the money on the Grimwood account?

A. He said something about it. I will not be positive: it seems to me that he said he had not received it. There were some names which he said he had certified as having received, and he wished to say that he did so under protest, —some three or four names.

Q. Did he give you the reason why, if he had not received the money, he should sign the vouchers for the whole list?

A. He said he did not wish any dispute with Dr. Rose.

Q. Do you know anything about the scheme of presenting a few names to Dr. Rose for the purpose of getting his explanation as to whether he had paid the accounts?

A. He spoke of that plan having been adopted.

Q. Did he state that that was the plan that he hit upon?

A. He said that was the plan that he had adopted,—that had been adopted.

Q. Then you understood that as the method that had been decided upon to investigate, to see whether delinquents could be got at in that way?

A. I did, sir.

Q. How often did you see Rose during this time,—about the time this list was delivered, and about the time these names were presented to him from time to time, as you understood?

A. I saw him daily in the laboratory. We were in daily sight of each other during a good part of the performance of our duties.

Q. Can you say anything about his manner or the way he conducted himself,—his appearance to you? Did he ever say anything to you to ascertain what was to be done with him? Or what was proposed?

A. He had conversations with me I think only twice, touching the deficiency, as I testified last June.

Q. State those.

A. Soon after the examination of the accounts I was passing in, and he said: "Now, Doctor, about those accounts. As I said to Douglas, I know of no better way than to find what the deficiency is,—how much is lacking on these accounts, and I will pay it. That is fair, is it not?" That was about all.

Q. Do you think those were his words?

A. The purport of his words.

Q. Do you remember any other occasions of conversing with him?

A. He spoke to me some time after that. It was just a little while before the matter came out in the Chicago papers. Not a week before he said to me, as I passed him, "Doctor, can you tell me what is to be the result of this?" I said, "No, I could not." After some moments silence he said, "Do you think Dr. Douglas wants I should leave the laboratory?" I replied, "No, I had no knowledge that he did." Something was said about myself,—about the former relations between the Doctor and himself having been happy and agreeable. He repeated the last question in effect: "Then you don't think he wants I should leave the laboratory?" He said in somewhat broken exclamation, "I would rather be under the sod." A very few words passed between us; I think it was scarcely anything more than I have said.

Q. This, you say, was just before the matter became public?

A. Yes, sir.

Q. What were the words he used in regard to Dr. Douglas wanting him out of the laboratory?

A. I think as I gave them: "Do you think Dr. Douglas wants I should leave the laboratory?" or "Go out of the laboratory?"

Q. Was anything said about Dr. Douglas wanting to get him out of the laboratory?

A. I don't think he used that form of expression. The question referred to the point introduced by his first question: "What is to be the result of this?" That is the way we understood it. I did.

Q. What had the relations been between Dr. Rose and Dr. Douglas at this time so far as you know,—as far as your observation goes?

A. I should say they had been friendly.

Q. Do you remember Dr. Rose's recommending him to the Regents for promotion then recently?

A. Recently he recommended him,—joined in the recommendation of him to a title of "Assistant Professor;" and prior to that, '72-3 I think, there was a formal recommendation, I think, in Dr. Douglas' report. It was near that time. It appears in the public proceedings. I have the impression that he formally recommended him at that time.

Q. Then after this thing became public you noticed a difference in the manner or bearing of Dr. Rose,—did you?

A. I did.

Q. Can you describe that?

A. His manner previously I should say was ingratiatory towards Dr. Douglas,—seemed so to me,—and after that it was wholly reserved, and uncommunicative.

Q. After the matter came out to the general public did you notice any further difference in his bearing or demeanor?

A. That is what I mean; after it was published in the papers. I refer to that.

Q. Then there was a difference, after it was known to you and after it was known to the public, in his manner?

A. After examining the accounts it seemed to me that his manner was ingratiatory, conciliatory, deferential, friendly, until it was known to the public; then it was reserved,—quite a change,—which might be natural I suppose.

Q. More reticent?

A. Yes, sir.

Q. Can you define his manner?

A. I don't think I could any further. I don't know as I have defined. It is difficult to do so.

Q. Did he wish to enter into conversation about the matter with any one after that?

A. He did not enter into conversation with me about this matter. I saw him frequently approach Dr. Douglas and converse, I think about ordinary matters about the laboratory, frequently before the matter became public.

Q. After it became public?

A. I know of no conversation,—was cognizant of no conversation between him and Dr. Douglas after it became public, that I think of now.

Q. Were you present at any time when Dr. Douglas presented Dr. Rose with slips with names on them, claiming that the accounts on them were delinquent,—that he had not received the vouchers?

A. I may have been present, but I do not know the character of the transaction. I did not hear. I did not know what they were doing. He was frequently at Dr. Rose's desk. That was, of course, always common.

Q. How far is your table from Dr. Rose?

A. Across the room, 25 or 30 feet.

Q. At that interview which you mention, when Dr. Rose asked you if you thought Dr. Douglas wanted to get him out of the laboratory, did he state anything that he knew or claimed to know, on which he based the question to you of Dr. Douglas' intention?

A. He did not. It seemed to be based upon the first question,—“What was

to be the result of this?" But I supposed, of course, he referred to the deficiency investigation, or [something in] relation thereto.

Q. Has he at any other time made any statement to you of what he supposed Dr. Douglas' intention?

A. I don't think he has.

Q. In the examination made by yourself and Dr. Douglas, did you make any private marks upon the pages of the ledger, or mark the pages of delinquent accounts?

A. I think it probable we did. It seemed to me that we did. I will not be sure about that however. We must have checked them in some way. It seems to me we checked to and fro in comparing, and how, I cannot remember.

Q. What is your manner of checking generally?

A. A cross, I guess; the cross X.

Q. At the time he showed you the name of Grimwood did he not say that there were several names for which he had not received the money, and that he signed the book till then under a protest?

A. I think that is the purport of what he said,—that he had not received them, but signed them, saying that he had also stated so to somebody else, perhaps Mr. Bennett,—that he did it under protest.

Q. How much of a deficit did you and Dr. Douglas find in one night's investigation?

A. I don't remember the precise sum. It was not far from \$600. I don't know whether the memorandum we made is in existence or not.

Q. Who directed the manner of making that examination,—you or Douglas?

A. I don't know that either of us did. It was a mere matter of comparing the vouchers with the accounts.

Q. What books and papers of that year did you examine that night?

A. For the preceding year, the collegiate year of '74-5, the papers I have named,—the vouchers.

Q. What manner of accounts did you find delinquent?

A. Accounts not covered by the vouchers.

Q. Did he direct your attention to what accounts to look after to see whether they were delinquent?

A. I don't think he did, particularly. We made a list of the year's accounts.

Q. Did you have any stub-books there at that time?

A. I don't think there were any there. We did not use any,—did not see any.

Q. When sworn before in June last, did you testify as follows, speaking of Grimwood: "It is a kind of ink that turns dark after a time?"

A. I did not. I might have said it looked like writing by ink that turns dark. I testified, as I do now, that it was bluer and brighter and paler. I did not analyse the ink or the ink spot.

Q. Did you not swear also as follows: That "he (Rose) said in the first conversation that he did not know how many accounts he had settled with Dr. Douglas?"

A. I think not. I think it was not in his conversation.

Q. Did not Rose say this: "Does Dr. Douglas intend to drive me out of the laboratory?"

A. I think not in that form of speech.

Q. What did he say?

A. "Do you think he wants me to leave the laboratory?"

Q. Will you swear that Rose did not use the language in the last question: "Does Dr. Douglas intend to drive me out of the laboratory?"

A. He did not to me at that time.

Q. Did you not come back on the stand last June and correct your testimony?

A. I did, sir.

Q. Between the time you were first sworn and the time that you made the correction had you had any conversation with Dr. Douglas?

A. I had not,—permit me:—I went to the committee room in the morning and gave notice that I wished to correct my testimony. I think before I did correct my testimony. Perhaps Dr. Douglas spoke to me about something but not about this.

Q. Did you not testify in June last that Dr. Rose said in this first conversation: "Does Dr. Douglas wish to get me out of the laboratory?"

A. Yes; I testified to that the first time. I think that is the expression I gave.

Q. Do you know anything about how this matter got into public print?

A. I do not. I first saw it after hearing of it in a Chicago paper, and then I saw it in the Detroit papers.

Q. Who called your attention to it? Do you recollect?

A. Some one in the laboratory, I don't be sure. Johnson or some one said there was something in the Chicago papers about the laboratory, and I got hold of it as soon as I could.

Q. How long have you known of "stubless" accounts in the laboratory?

A. I have not known of them since stubs were introduced, having supposed since that time that no accounts were paid except upon vouchers, and every voucher had a stub. Some vouchers could have several accounts—so I have supposed.

Q. For which they have no corresponding stub for each account?

A. Each account corresponding in date contributing an amount to make up the voucher or certificate on the back.

Q. Have you not settled for such accounts?

A. During the time I was a student, in '63-4, I kept the books part of the time,—performed some services in the laboratory. There were then no stubs, but card vouchers. Is it meant since stubs were introduced?

Q. Yes.

A. I think not.

Q. Have you had anything to do in the laboratory with the keeping of accounts since stubs were introduced?

A. Nothing to do with the accounts then.

Q. Have you received any money?

A. I don't say that I have never received money. It may be that Dr. Rose in his absence may have left me in charge in a very few instances. I was present when it was testified that my handwriting was on stubs. It may be on two or three; it can't be on many.

Q. Whenever you had charge of the laboratory in the absence of Dr. Rose, did you ever settle for any "stubless" accounts, or accounts which had no voucher?

A. I don't know that I did.

Q. Did you ever know that any such accounts existed?

A. Never supposed any such accounts did exist. Well, there might be no

voucher until the settlement of the account, when a voucher would be made. I supposed that was the order of business.

By Mr. Phelps :

Q. You did know that students were sometimes allowed to start an account on the ledger who did not make a deposit?

A. Yes, sir; they did frequently in the second course. After becoming acquainted with them they were allowed to go on without a deposit, and would carry no ticket up to the time of their settlement, when I supposed, from common remark and common understanding of the system of accounts, the voucher was always made on payment of the account.

By Mr. Kelley :

Q. Did you ever make any such vouchers?

A. Probably not. In a very few instances I may have settled the account: I do not know that I ever settled any.

Q. Wasn't there a time that you had charge of the accounts in the laboratory?

A. That was under the card system.

Q. Under that system did you not allow students to open an account with the laboratory without a card?

A. Sometimes, I think.

Q. Haven't you settled such accounts with the student?

A. There would be a card made out when the settlement was made.

Q. Was that your course of doing business?

A. It was. Most generally I did not take the money, but put the sum of the account on the back and the student took it to the director.

Q. It was also the fact that the same student would have two or three different accounts at the same time?

A. Different pages of accounts.

Q. Would he have a card for each one, or would he settle them all upon one card.

A. All upon one card frequently,—not always.

Q. If they did settle at the same time, they would be likely to be settled on one card?

A. Unless he made deposits on one or more of the courses, which he might have done.

Q. Have you had charge of the books since then, since the voucher and stub system has come in?

A. I have not.

Q. Pharmacy ledger, page 10, see account of Freund.

A. That is my handwriting, I think. I have no recollection of the instance.

Q. What year is that?

A. '66-7. Whether I settled that account or not, and received the money, I do not know.

Q. How did you come to sign it if you did not settle the account?

A. Those initials are not in my handwriting.

Q. Where is your handwriting?

A. These figures are my handwriting. I did not make those initials myself. These figures are my handwriting, and those entries of items put there are in my handwriting: the date and the reference to page 12.

Q. Can you state in whose hand-writing the initials are?

A I could not positively. It may be Dr. Rose's.

Q. Are not the credits of money entered in your handwriting?

A. *These* credits are.

Q. Did you not receive the money from the pharmacy account?

A. When?

Q. That year.

A. I don't remember.

Q. Can you tell from the books?

A. I can't. I don't think I did. I did not receive deposits. I did not settle accounts.

Q. Can you explain why you should have kept the money if you did not receive it? Why did you credit it on the book?

A. I don't know. Perhaps in making the account the student may have made a certificate of deposit, which he showed me. I do not know.

Q. There is the stub-book. Show, if you can, the stub for that account?

A. It is hardly worth while for me to take time to look for it.

Q. Is there a voucher for the account?

A. I don't know.

Q. Do you know whether any accounts in that pharmacy ledger have the voucher or stub?

A. I do not sir. I made no examination of the accounts. I do not remember.

Q. Could there be a voucher that year without a stub?

A. Not in the ordinary [course of] business. It was after stubs were used. There would have to be a voucher made in the regular way, I suppose. I have no recollection of it whatever.

MR. BENNETT RECALLED.—FEB. 6, EVENING.

By Mr. Taylor :

Q. Did you assist Dr. Douglas and Dr. Rose in making out their monthly settlement at the laboratory?

A. No, sir.

Q. Look at wrapper number 8, '73-4. Is that in your handwriting?

A. Yes, sir; I should say it is.

Q. When was that wrapper made?

A. At the time that I looked over the accounts.

Q. Not at any monthly settlement?

A. No, sir.

Q. What time did you look over the accounts?

A. I looked over the accounts, I presume, between the meeting at which this was referred to the finance committee and the subsequent committee.

Q. Did you ever make any other wrappers for this year, 1872-4, or any other year?

A. I might. I can tell by looking at them. [After looking.] That is the only wrapper in my handwriting in that package.

Q. You are certain that is your handwriting?

A. Yes, sir.

Q. Do you think you have made any other wrappers?

A. I may have made other wrappers. I am not certain. I can tell upon examination.

Q. Who was present when you made that wrapper?

A. I can't say whether I was alone or whether my son was there. I used to take them to my house and examine them, usually in the evening.

Q. For what purpose did you make the wrapper?

A. The explanation that I should give was, that in moving the original wrapper, they were generally fastened with mucilage or wafers, and in removing it I might have mutilated it so much that it was necessary to make a new one. That occurred sometimes, I think. I probably have made others.

Q. Do you find some of those others are mutilated so that you cannot make them out?

A. Yes.

Q. Why didn't you make those?

A. They are not so much so but what I could check through. They have been handled so much that they are in a worse condition than they were originally.

Q. Do you remember ever making any other wrappers?

A. I don't remember. I can't say positively without examination.

Q. Where were those other wrappers from which were produced before the McGowan committee?

A. In the vault where I put them myself on removing them from the original packages of tickets. I shut them up.

Q. Were those wrappers around the tickets when yourself, Douglas, Angell, and Knight first examined them?

A. Yes, sir; I removed them at that time.

Q. If so, who placed them there?

A. I kept them in their place. After I examined them I put them back, left them as near as I could like the original packages, and then they were put together in one package. One package consisted perhaps of eight or nine or ten packages, just as they happened to be.

Q. Did a package represent each settlement?

A. I don't know anything about what they represented. I found on looking them over that the tickets tallied off with the numbers or amounts which I found on the wrappers. I discovered that, and it saved me the trouble of making new tally sheets all the way through.

Q. Do you know whether any of these so-called wrappers were made when the vouchers of Dr. Douglas' annual report were examined?

A. Not unless I made them myself.

Q. You made this one?

A. Yes, sir.

Q. At that time?

A. At that time.

Q. Are they upon paper always or commonly used at the laboratory?

A. They are generally on paper that I should say was used at the laboratory. Light paper.

Q. Those that were on light paper were on paper that was used in the laboratory?

A. They came to me in that paper. I could not say whether it was used there. They came to me in that kind of paper.

Q. Did you and Regent Grant, when you examined Dr. Douglas' annual report for '73-4, have any conversation about warrants which should appear upon such report, and which did not so appear?

A. I think so.

Q. Give the conversation as near as you can remember.

A. There was not much about it, only that usually those warrants had appeared in the reports or annual settlements, and I thought they should appear so then, as they had in years previous.

Q. Did you or Regent Grant, to whom this report was referred, report to the Regents such discoveries?

A. I am not prepared to say whether we did or not. I say this: If I discovered anything, I usually called the attention of the chairman of the finance committee to it.

Q. Did not Regent Grant submit the following resolution instead of pronouncing the report correct, recommending its passage?

[Read resolution volume 3, page 409.]

A. The resolution was submitted by Regent Grant at that meeting.

Q. Read the resolution.

A. "Resolved, That all employes of the University from and after this date shall be paid quarterly for services rendered, upon warrants signed by the President and Secretary."

Q. Take the book of warrants for '67 and look at warrant number 508.

A. Date January 1st, 1877, S. H. Douglas, purpose, for assistance in the laboratory, delivered to him, \$12.50.

Q. What was the warrant drawn for?

A. For the payment of assistants in the laboratory. It is so stated.

Q. To whom was it delivered?

A. It was delivered to Dr. Douglas; I have stated here.

Q. What was the amount?

A. \$12.50.

Q. Look at warrant 557. For what purpose was the warrant drawn?

A. For the payment of assistants in the laboratory.

Q. To whom was it delivered?

A. Delivered to him.

Q. What is the amount?

A. \$137.50.

Q. Look at warrant 609. When and for what purpose was this warrant drawn?

A. The same purpose.

Q. To whom was it delivered?

A. It was delivered to him. So it states.

Q. What is the amount?

A. \$137.50.

Q. Look at the annual statement of Dr. Douglas for the year '65-6 and see if Dr. Douglas has given the University credit for such warrants?

A. I do not find it on that report.

Q. Look at warrant 668. For what purpose was that drawn?

A. It was drawn for salary of assistants in the laboratory. Delivered to Dr. Douglas July 1, 1867; amount, \$137.50.

Q. Look at warrant 721.

A. Dated October 1, '67, drawn to S. H. Douglas; purpose, for assistants in the laboratory; delivered to him; amount, \$137.50.

Q. Look at warrant 785.

A. Dated January 1, 1868; drawn to S. H. Douglas; salary laboratory assistants; delivered to him; amount, \$137.50.

Q. 852.

A. Dated April 1, '68; S. H. Douglas; salary of assistants; delivered to him; \$137.50.

Q. Look at the annual report of Dr. Douglas for the year '67-8, and see if those warrants are credited to the University?

A. They do not appear in the report.

Q. Examine number 934.

A. July 1, '68; Dr. Douglas, salary of laboratory assistants; delivered to him, \$137.50.

Q. Look at 995.

A. October 1, '68; S. H. Douglas; salary of laboratory assistants; delivered to him, \$137.50.

Q. 1033.

A. January 1, '69; S. H. Douglas; laboratory assistants; delivered to him, \$137.50.

Q. 1087.

A. April 1, 1869, S. H. Douglas; salary of laboratory assistants; delivered to him, \$137.50.

Q. Look at the annual statement for the year 1868-9 and see if you see any of those warrants credited to the University.

A. I do not see that they are credited there.

Q. Take warrant 2282?

A. S. H. Douglas; salary of laboratory assistants for quarter ending June 30, 1873, delivered to him, \$137.50.

Q. Warrant 2321.

A. October 1, 1873; S. H. Douglas; salary of laboratory assistants, delivered to him, \$137.50.

Q. Warrant 2496.

A. Date, January 1, 1874; drawn to Dr. S. H. Douglas; purpose, salary of laboratory assistants; delivered to him; \$137.50,—amount.

Q. Warrant 2554.

A. Date, April 1, 1874; Dr. S. H. Douglas; delivered to him; amount, \$137.50.

Q. Take the report for the year 1873-4.

A. They do not appear in that report.

Q. Take warrant number 2,667.

A. Date, July 1, 1874; Dr. S. H. Douglas; salary of laboratory assistant for the quarter ending June 30, 1874; delivered to him; amount, \$137.50.

Q. Take warrant 2,774.

A. September 3, '74; S. H. Douglas; salary of laboratory assistants; delivered to him, amount \$137.50.

Q. Take the report for '74-5 and see if any of those warrants are credited to the University.

A. They do not appear on the report.

Q. Please look at the annual statement of Dr. Douglas for which you find he has received those University warrants and has not given the University credit for them, namely, '66-7, '67-8, '68-9, '73-4, and '74-5, and state whether you find the University charged for assistants in the laboratory department in those years.

A. I do not know that I know who were assistants at that time; it is so long before my time. The catalogue for that year would give the names. I see the name of Dr. Rose for one, in '66-7. I find Mr. Lewis charged for \$50; Dolbear, nine weeks' services, \$45; Rose \$50, \$72.83, \$15.83.

Q. Never mind the amount if you find a charge against those assistants. Take the report of '67-8. Do find the name of Rose, or Weeks?

A. I find the name of Rose, \$50.

Q. Any others?

A. Weeks \$40. I find the name of W. W. Douglas, assistant, \$40; P. B. Rose \$50; P. B. Rose again \$50.

Q. Take the report of '68-9. Do you find charged there for assistants Weeks, Jewett, and Rose?

A. P. B. Rose, \$75; Weeks and Jewett, \$100; P. B. Rose, \$75; H. S. Jewett, \$50; P. B. Rose, \$75; Weeks, \$50.

Q. Do you find, as a result of this examination, that Mr. Douglas, in his annual statement for those years has charged the University for assistants in the laboratory, but have not given the University credit for warrants paid him for the purpose of paying for assistants?

A. It appears from the annual statement that that was the case, unless—

Q. What is the amount of \$3,947?

A. That is the amount collected in the last quarter of '75. That is simply placed there to change the account,—to get it through our hands into the hands of the Auditor General.

Q. When was this warrant drawn?

A. Drawn the 30th of March, '76.

Q. To whom delivered?

A. To Dr. Douglas.

Q. For what purpose?

A. That is the total receipts for the quarter ending December 31, '73. I simply made that entry so as to get it through the hands of the treasurer; I have [not] received that money. This money was received by Dr. Douglas, and disbursed by Dr. Douglas for the quarter ending December 31, '75.

Q. What is the amount?

A. \$3,343.02. That is the time we charged the account, and we simply got it on to our books so that we could report at Lansing. That will be thoroughly explained by Mr. Kight if he is put on the stand. There is a statement in his report of an error of \$80. Add \$80 to that and it amounts to \$3,343.02.

Q. Are the figures now shown you yours?

A. Yes, sir.

Q. What are they?

A. I should say they were copies of wrappers and vouchers.

Q. You made them,—did you?

A. Yes, sir.

Q. When did you make them?

A. I should have to think a little before I could answer that. I don't know whether it was the latter part of December, '75, or whether it was in the early part of '76. I did not take any memorandum of this. I know that those are my figures.

Q. Copies of wrappers?

A. Copies of wrappers.

ANDREW J. SUTHERLAND SWORN—FEB. 6, EVENING.

By Mr. Taylor:

Q. Do you reside in Ann Arbor?

A. I do, sir.

Q. Are you acquainted with Dr. Rose?

A. Yes, sir.

Q. Did you make out any papers for him in 1875?

A. I did, sir.

Q. What papers?

A. Mortgage to Mr. Beal. I am not confident that I made it. I took the acknowledgment; I think I took the paper.

Q. Did Mr. Rose state to you the reason for giving that mortgage?

A. He did, sir.

Q. State them to the committee.

A. He remarked to me that he wanted to raise some money for Professor Douglas.

Q. Did he state why he had got to raise money for Dr. Douglas?

A. Yes, sir.

Q. What was the reason?

A. He said the doctor had demanded of him a certain amount of money and he must pay it.

Q. What else did he say?

A. He then went on to say that he did not owe it; he had paid it before.

Q. Did he say anything about thinking that Dr. Douglas was wronging him, "skinning" him, or anything of that kind?

A. He made use of that very word. He brought his fist down this way. Said he, "The doctor is *skinning* me, sir."

Q. When was that?

A. It was about the 6th of November, '75.

Q. Whereabouts?

A. At Dr. Rose's house.

Q. You were called in there to take the acknowledgment of that mortgage?

A. Yes, sir. He sent for me.

Q. Did he tell you how the doctor was "skinning" him?

A. He said he was demanding payment of money that he had paid before in the laboratory matter.

Q. Was there any further conversation between you and Dr. Rose at that time about that?

A. Some more.

Q. Did he state why he was paying him over again?

A. Yes, sir.

Q. Why?

A. He said if he did not pay it "the doctor would be angry and take off his official head." Those are the words he used.

Q. What else did he say?

A. I remonstrated with him for paying the money when he did not owe it. He said that he thought it better do it under the circumstances than to lose his position; and then he said after that, "It is the last dollar the doctor will ever get of me until he gives me a receipt for it."

Q. Is that all the conversation you had at that time?

A. No, sir; we had some more.

Q. Anything that you remember pertaining to this? State what you know about it.

A. I told him I thought it was a pretty dear way to keep his head on. He remarked, in his condition, with his lameness and his family, he thought he

had better sacrifice his money than his position at that season of the year. About that time I think it came time to go, and he went out.

By Mr. Phelps:

Q. Did he state anything about its being difficult for him to prove that he paid the money?

A. Not at that time, sir.

By Mr. Kelley:

Q. You say this is the time he came to have you execute the mortgage?

A. He sent for me to go over. He lives next house.

Q. Do you remember taking an acknowledgment of any other paper?

A. Yes, sir.

Q. When?

A. I took the acknowledgment of the deed to the University.

Q. How long after the mortgage was that?

A. I think the deed was in December.

Q. Had you heard anything of this defalcation in the laboratory department before you took the acknowledgment of the mortgage?

A. No, sir; I never had heard of it before that.

Q. How long was it after you took that acknowledgment before it was made public?

A. I think I saw it in the paper,—I can't tell exactly,—I think about a week, or two weeks. I think it was within two weeks after; it may have been a week.

Q. After taking which? the acknowledgment?

A. The first one,—of the mortgage.

Q. How did it happen that he gave a deed of his property afterwards? You say you took the acknowledgment of that.

A. Yes, sir.

Q. What did he tell you at that time?

A. He sent for me to come in again, and I went in to take the acknowledgment of that deed, and I picked it up and asked him what it was,—a question I hardly ever ask a man if he asks me to take an acknowledgment; but the Doctor seemed a little down-hearted, and I asked him what it was, and he said it was a deed to Mr. Knight; and I asked him why it was, and he then remarked to me that there were some irregularities in the laboratory, and he had been requested to make such a deed. I told him I thought it was a bad thing to do. I don't know as you want me to tell what I told him.

Q. We have gone almost to any extent here.

A. He said he would do it because they would give him back a paper when he proved his innocence, which he would do.

Q. How long have known Dr. Rose?

A. I think about 20 years.

Q. Were you acquainted with him in '66?

A. Yes, sir; he boarded in my family before that.

Q. Did you have any money in your hands at that time?

A. Yes, sir.

Q. How much?

A. He sent me his money while he was in the army, and some before he went in. I think he gave it to me for safe keeping. I can tell by going through my books.

Q. Can't you give a pretty good guess?

A. I think between \$2,000 and \$2,500.

Q. How long did he keep that deposit in your hands?

A. It came into my hands from time to time from that army. It was not in my hands any one time until he returned.

Q. I understand you to say in '66 he had that much in your hands?

A. Yes, sir.

Q. How long after that did it remain there?

A. I think two or more years. I sold him a lot and built him a house.

Q. Wasn't he in the habit of putting money into your hands during the years 1866-7 in amounts from \$200 to \$500 at a time?

A. I don't think I had any money of him after he returned from the army,—only what he brought when he came.

Q. Didn't he deposit any money with you while he was in the laboratory department?

A. Not that I know of.

Q. Didn't he loan you some money?

A. In small sums.

Q. Didn't you know of his making investments during the time that he was in the laboratory department?

A. Yes, sir; I have heard his testimony here.

Q. Is that the only way you knew it?

A. I heard what he swore to it, and I knew it before, excepting the plaster stock; I did not know that he had so much of that.

Q. Don't you know that he made other investments?

A. I knew of his investing in the silver stock, because I had the transaction with him.

Q. Did you sell him that stock?

A. I did.

Q. What silver stock was it?

A. In the Monitor and Northwestern silver mine.

Q. How much did he put in?

A. \$400. I think he had five shares of stock, at 80 cents, or about that.

By Mr. Phelps:

Q. I am a little curious to know whether it is profitable stock.

A. It will be, probably.

By Mr. Kelley:

Q. Did you know anything about his having railroad stock?

A. No, sir.

Q. Did you sell him that?

A. No, sir. I had some there, too.

Q. Which is the better,—the railroad stock or the silver stock?

A. I would rather think the silver stock.

J. W. KNIGHT SWORN—FEB. 6, EVENING.

By ———?

Q. Are you the treasurer of the University of Michigan?

A. Yes, sir.

Q. Are you also cashier of the First National Bank of Ann Arbor?

A. Yes, sir.

Q. Did you and Dr. Douglas ever look over the bank account of Dr. Rose, or have any conversation in regard to such account?

A. I think not, sir.

Q. You never had any such conversation?

A. Not that I remember of.

Q. Did you in connection with Douglas, Angell, and Bennett examine the laboratory accounts?

A. I was present one evening, I think, and a part of one afternoon, and looked over partially through a part of two years.

Q. Who seemed to direct the examination of you four?

A. Well, I don't know. We four were present together.

Q. How many constituted the committee?

A. Four of us together. I was invited to go there. I can't say who was supposed to direct it,—the President of the University, I suppose.

Q. Who invited you to act on that committee of investigation?

A. Mr. McGowan.

Q. By letter?

A. No, sir. He came to the bank and invited me to go there.

Q. Have you not frequently stated to Regent Grant and others, that the financial management of the laboratory should be taken from Dr. Douglas' hands?

A. I have frequently stated in my opinion the laboratory money should take the same course as all the other moneys of the University did.

Q. If so, for what reason?

A. Well, especially after the law was passed to have us account to the State, have it take that course, so that the accounts would be perfect in the reports to the State.

By Mr. Mills:

Q. Had you any other reason except that in mind?

A. I don't think that I had, only that in my estimation all the money should pass through the regular channel and find its way into the hands of the treasurer, and be reported. That is the only thing.

Q. What was the result of your examination of the one year you examined?

A. The general result of it was that the University was short of money that it should have had.

Q. Did you find in whose hands that money was?

A. I inferred in whose hands it was, upon the examination and the checking on some portion of the accounts,—I could not state, but some point that I saw looked as though the money was in Dr. Rose's hands, or a portion of it.

Q. You inferred that?

A. I inferred that from the books and entries that I saw.

Q. Did you not use your influence with the Regents to take the financial matters of the laboratory out of Dr. Douglas' hands?

A. Yes, I did, in a manner; but, as I said before, it was for the purpose of having it reported through the proper channel.

By Mr. Mills:

Q. Let me ask you if the object of that investigation which you assisted in making was to determine in whose hands that money was, or simply some other object?

A. I inferred it was for the purpose of determining in whose hands the money was.

Q. You spoke of inferring in that examination in whose hands a part of the money was: did you draw the inference that a part was in some other person's hands? If whose, state.

A. A portion of the accounts, by the manner of the entries upon the ledger showing the certain amount of money received upon that ledger for which apparently there were no vouchers through which it had been accounted for to the Regents, led me to the conclusion that there was money there in those entries that had not found its way into the hands of the Regents of the University, and hence into the treasury. There was a portion of those amounts that were so intricate that I have now forgotten,—had not given any attention to it, but I have forgotten the reference to the time, and where on the ledger we found entries of money received there from students had been credited with payments where we found no vouchers from the students certifying that they had paid those certain moneys; I inferred that there was none that had ever been received by the Regents, and it appeared to me at the time, and my recollection is that money was in Dr. Rose's hands.

Q. Did you think that covered the entire defalcation?

A. Well, at the time I did nothing with that.

By Mr. Hinchman:

Q. Was it possible to determine from the books who had the money?

A. It would not be from the ledger.

Q. Or any other books?

A. It might have been possible to determine, but I cannot say that I now can give the channels that I would have gone through. It is gone from my mind, it has been so long since I gave it any attention.

By Mr. Taylor:

Q. What did you infer about the money where the *D* and the red line were found upon the stub?

A. I think at that early stage on this examination I inferred that, so far as Rose was concerned,—I don't know that we gave the *D* and the red line much attention except to suppose that they had been settled for. I think, if I remember rightly, that that was the conclusion.

[Question repeated.]

A. As I stated before, as far as I remember now, I supposed that that money had been accounted for.

Q. Accounted for by whom?

A. Accounted for between Dr. Douglas and Dr. Rose. When we found an account of that kind we did not pay much attention to it.

Q. What attention had been given to the examination of the laboratory accounts?

A. I was there one evening, and I think a small portion of the afternoon after the bank closed, if I remember aright. That was all the time I spent talking up those matters. My time was taken up by my business, and I did not suppose I was a very important member of the committee, and I did not give it much attention.

Q. Do you think the time you spent was sufficient to tell who was guilty in this defalcation?

A. Perhaps not, from the time expended. If I had expected to be a very important member of that committee and give it any attention,—only merely to be present,—I would have given it more time and looked it up more carefully.

Q. Did you not derive the most of your information from Dr. Douglas?

A. In reference to the years that I speak of I came to the conclusion that I got it from the books.

Q. But the other years?

A. The other years I got from others. I did not pretend to know anything about those matters.

Q. Did you ever go through with one entire year the books and vouchers and all?

A. I think I did. As I stated before, I think I went through with one year; that is Dr. Angell wrote the names as they were read off from the ledger. I think Dr. Douglas and myself looked the ledger over, took the payments, and called the names. They were written out alphabetically by Dr. Angell, and they were checked back at the time.

By Mr. Kelley:

Q. Do you think you could get those laboratory books, and without an explanation come to the conclusion where the money was for that year?

A. Perhaps I might not to the fullest extent, from the fact that they were rather intricate; and there were some points I think that I made out without reference—

Q. Without reference to any other light or information from other books could you ascertain anything about it, except as to the amount of money the books will show as having been received in that department?

A. I hardly know whether I could or not. I think I might, by having plenty of time.

Q. Did you examine the ledger?

A. We took the ledger, as I stated before, and called the name of each account, and looked up on the credit side of it and saw how much had been paid, and called the amount, and it was written down alphabetically. We passed through that, and I think we took the stubs and checked back those accounts which had been drawn off from the stub. I must say that the matter is out of my mind in reference to some part of that, in reference to the stubs, and I could not, without taking some time, call it up again. I have not given it any attention since a year ago. I have no doubt, on looking carefully, I could come to a conclusion with reference to that one year.

Q. Did the committee who were with you, or the persons who were with you, come to a conclusion that all the deficit was in the hands of Dr. Rose?

A. I don't know that they did. I am not able to say.

Q. Did you call Dr. Rose in to ascertain any information from him?

A. Dr. Rose was not present.

Q. I ask you if you invited him in.

A. I did not invite him in. I was merely invited to join with the committee, and I did not consider myself the proper person to invite him. I inquired if he was not to be present.

Q. What did McGowan tell you he wanted of you?

Q. He stated the fact in reference to it: he asked me if I would be present with these gentlemen.

Q. What did he state?

A. He stated there appeared to be an irregularity in the laboratory accounts, —in Dr. Rose's accounts.

Q. Made no further examination than the one made that night?

A. That night and the day following, or the day after.

By Mr. Taylor:

Q. Why did you allow a report to go the world that Dr. Rose was guilty when you had spent so little time in the examination?

A. I never signed a report, nor authorized a report to go.

By Mr. Kelley:

Q. What do you think about the present system of book-keeping in the University?

A. Throughout the entire University?

Q. Yes.

A. I think the system now is a very clear one that is being kept now.

Q. Is the money all paid in the treasury?

A. It is.

Q. Do you give any receipts for it?

A. I give a receipt in this manner: the checks are made out and the money deposited, and the check made to my order, and I indorse the order and pass it over to the credit of the treasurer's account.⁶

Q. How can you tell whether the money all reached you?

A. I cannot tell.

Q. Are there any books kept at by the University by which, from an examination, you could ascertain whether the money had all reached you or not?

A. I think there are books kept there. If the money was all entered upon them I could tell.

Q. Are there any books kept in the University by an examination of which could be ascertained the amount received in any one year, and the amounts appropriated to each of the departments and expended?

A. I never have examined closely as to that, but I happened to look upon Bennett's books, and I saw that each department is debited and credited with its proper amount.

Q. Do you keep separate books of account for the University business?

A. I do,—entirely do.

Q. Do you have separate accounts for each appropriation?

A. I do.

Q. Are the warrants drawn against different funds or for different purposes when drawn upon you?

A. Yes, they are.

Q. Do you have to make returns to the Auditor General?

A. Yes, sir.

Q. How often?

A. Once in three months.

Q. Do those returns show the different amounts of money that have been expended for different purposes?

A. Yes, sir; they show it. We have a pay-roll which should show it, because the pay roll goes to Lansing. It would show clearly the manner in which the books were kept, would show clearly every voucher. Duplicate vouchers also go to Lansing now, and it would show very clearly from what source every dollar comes, to what it is appropriated, and for what purposes it was paid.

Q. You are in the banking business?

A. I am.

Q. How long have you been in that business?

A. Since '63.

By Mr. Taylor :

Q. Do you know whether Dr. Douglas has failed to account for any money that belonged to the University?

A. No; I do not.

Q. Have you not frequently complained to the Regents of the manner in which the business in the laboratory has been conducted,—that “there was no safety to the University?”

A. Perhaps I did not use that language. I have said I didn’t approve of the manner in which the books were kept in the laboratory, and I think I mentioned it perhaps to the Regents.

Q. Have Dr. Douglas and yourself had more or less words over the fact that you were interfering with his business?

A. I think not words to that effect.

Q. Have you ever complained or stated that there was no record of Dr. Douglas’ accounting for the University warrants delivered to him?

A. I think not. I don’t remember that I have stated that.

Q. Did you ever examine Dr. Douglas’ book to see that his accounts were properly kept with the University.

A. I never did.

Q. Did not McGowan and Walker in their report say that they mainly derived their information from the committee of which you were a member?

A. I don’t recollect as to that, from the fact that I have given it very little attention. I am under the impression they did say so, but I am not positive as to that.

Q. Did you say one night in the express office in this city that Dr. Douglas was not a fit man to keep those books for a minute?

A. I have no recollection of that.

DR. ROSE RECALLED—FEB. 9, EVENING.

By Mr. Taylor :

Q. How much money did you receive on stub accounts in June, ’74, after the 12th?

A. How much on deposits?

Q. No; on all stub accounts.

A. You mean from all student’s accounts received into the laboratory?

Q. Received into the laboratory where there are stubs.

A. I would have to take time to figure that up. I supposed it meant how much was received on deposits.

Q. How much money did you receive in June, ’74, after the 12th and before the settlement on June 26, on stub accounts in which vouchers were turned over by Dr. Douglas as appearing by his reports for that year to the Regents?

A. I would have to take time to figure that up. There is one settlement on June 13; do you mean to include that or omit that?

Q. Include it. Can’t you tell by his reports?

A. From June 13 to June 19 I received and turned over \$253.50, and from June 19, including June 26, \$259.15, and \$299.93, making \$847.58.

Q. What is the aggregate amount of certificates embraced in packages 1, 4, 11, 3, and 6 of ’73-4, less the stub deposits?

A. Those four packages make \$1,179.25.

Q. Were all those accounts paid you between the 12th and 26th of June, 1874.

A. No, sir.

Q. How many of them and which ones?

A. Package number 6 was paid to me between December 16, 1873, and January 31, 1874. It passed into Dr. Douglas' hands the third of January, 1874.

Q. Are all the other numbers included within the time?

A. All the others the money came into my hands between April 3 and June 26. Part of them had passed to Dr. Douglas June 13. The money was not received after June 13 on all of those.

Q. Add apparatus account, \$2,106.23, and what is the total amount?

A. \$1,385.48.

A. Suppose there had been no settlement between you and Dr. Douglas after the 12th of January until the 26th, what amount would then have been due him on stub accounts and apparatus accounts?

A. Here is one package of tickets in here that could not possibly have been in there, because it came in in January. The money was receipted and paid over in January. There were no deposits received after June 12 until this ticket for apparatus, which is June 26.

[Question repeated.]

A. If I understand the question, it is not to include the settlement of June 13th.

Q. There is nothing in regard to that here.

A. The answer to the question which I first gave, \$847.58.

Q. I will repeat the question once more. Suppose there had been no settlement between yourself and Dr. Douglas after the 12th of June, '74, until the 26th?

A. Now, I ask whether that is to include the settlement of June 13?

Q. Suppose there had been no settlement, what would have been due him on stub accounts and apparatus accounts?

A. \$1,819.13.

Q. Add stubless accounts, as you make them, \$536.55, subsequent payments and forfeited accounts, \$159.55, accounts of Stephens and of Cameron and Cady, \$93.70, and what would have been the total amount due Dr. Douglas on the 26th of June, if there had been no previous payments made by you in that month after the 12th?

A. If I footed correctly it would be \$2,515.23.

Q. Did you include in that account Stephens, Cameron, and Cady?

A. Yes, sir.

Q. Did you account to Dr. Douglas for any settlement in June after the 12th?

A. I paid him after that time \$2,485.23 after June 12th.

Q. Does your bank account afford any indications that you did? Does it tend to show that you did not? If not, how much did you account for and pay over to Dr. Douglas in June after the 12th? Give the amount that you paid after June 12th.

A. June 13, after deducting bills and canceled tickets, I paid him \$836.94; June 19 I paid him \$253.50; June 26, \$1,290.18.

Q. Does that make the amount?

A. It does, after taking the amount of canceled tickets \$40, and bills \$5.21. I paid him June 26 \$1,290 by a check and 18 cents in currency, and June 19

\$253.50, and June 13 \$896.24 in currency, \$40 canceled tickets, and \$5.21 bills, making in all \$2,485.23.

Q. Does your bank account afford any indication that you did?

A. No, sir.

Q. Does it tend to show that you did not?

A. It does not: I don't think. It shows at least the \$1,290 paid him by check.

Q. How was the rest of this paid?

A. Paid in currency.

Q. If, during the period referred to, or any portion of it, you had laboratory receipts in your hands and not deposited in bank, to what amount and where did you keep them?

A. I kept them in my pocket.

Q. How much?

A. I had, after settling with him June 13, \$138.21; then on June 19 I received from students as per their tickets \$264.10, making \$402.31. June 18 I deposited in the bank \$135, and paid Dr. Douglas June 19, as per settlement, \$253.50, making \$388.50, leaving still in my pocket \$13.81. Then June 24 I received from students, as per the tickets, \$446.25, making \$460.06. June 24 I deposited in the bank \$415, leaving still in my pocket \$45.06. This makes me a total of deposits in the bank of \$1,293.81. On June 26 I drew a check in favor of Dr. Douglas for \$1,290, the amount of our settlement that day.

Q. What evidence have you that you made these payments in June?

A. The first is the stub-book. The stub-book has the cross on it, on check number 230, and also June 13.

Q. Is the "June 13" in ink or pencil?

A. Pencil.

Q. Did you make that cross?

A. No, sir.

Q. Who did make it?

A. Dr. Douglas, I presume; I have no doubt about it. June 19 was on Friday just before commencement,—the commencement coming the following week, and the meeting also of the Board of Regents, and I have a distinct recollection of it.

Q. Did you intimate to Regents Walker and McGowan, or either of them, in either of those interviews with them at Ann Arbor when you made the deed to Knight, that you were not in fact accountable to the deficiency represented by the six hundred and odd dollars which you had a few days before paid to Dr. Douglas?

A. There was no such conversation passed between us that I have any recollection of. There was something said, and they asked me whether I wished to go over that year, and I told them certainly I did: whether I wanted that year examined, and I told them certainly I did.

Q. Why did you not inform them of what you now say was the true state of the case, to wit: that you had once paid the money to Dr. Douglas and he had wrongly exacted of you such a payment?

A. I knew at that time I had paid it, although I was not aware in what manner I had paid it. I supposed I had paid it in currency. I was not aware at that time that I had paid it in check.

[Question repeated.]

A. I gave him to understand at that time that I had paid it, and that was the

reason why I wanted that year gone over again and examined. I was not aware at that time that the payment was made in check. I was not sure but what I had paid it in currency, as was my practice.

Q. Did you not understand that they were dealing with you upon the assumption that you admitted that you had been in default for the amount paid Dr. Douglas, and that they believed that you might be found in default for a much larger sum?

A. There was nothing said at our interview whether Dr. Douglas was to blame or whether I was to blame,—who the blame rested upon. They did not say that the deficiency was in my account. They did not even say the accounts were not proper. They said they had not examined the books and did not know.

Q. What did they want of the security?

A. They said they had understood that it had been reported to them that there was a deficiency, and they wanted to secure themselves so far as I was concerned, if the default should rest on me.

Q. Was there anything said at that time whether, if it appeared that you were not in default you would be reimbursed?

A. Certainly. If the default did not rest on me I was to have my house deeded back again at once.

Q. Did you, at any time while you were assistant in examining the accounts and vouchers in Bennett's room, intimate to Dr. Angell or Bennett that you had properly acknowledged to Dr. Douglas for the money represented by the accounts which your examination disclosed had not been accounted for to the Regents?

A. That question was not asked. We had not got along to the point of examining Dr. Douglas' annual statements. I supposed, when they would come to examine Dr. Douglas' annual statements, we should find all this money reported that had not been reached. When the whole thing was made public in the papers I saw that the matter was not in the interest of justice, but simply trickery.

Q. Did you not understand from the manner of Dr. Angell and Mr. Bennett that they supposed you to be either innocently or guiltily at fault in the matter, and responsible for the missing money?

A. There was nothing of the kind said.

Q. Did they show anything in their manner to give you any such understanding?

A. No, sir; I don't think there was any such thing intimated, or any such thing hinted at in any way.

Q. Why were the lists drawn off in Bennett's office, which you signed, and how were they drawn up? What books and papers and documents had you before you?

A. We simply examined the ledgers and stub-books and the vouchers that were there. We had not gone to the point of examining Dr. Douglas' annual statement to see whether there had been anything more accounted there or not.

Q. When and to whom did you first disclose what had taken place between you and Dr. Douglas, and between you and Regents Walker and McGowan, and between you and Dr. Angell and Mr. Bennett, with reference to the alleged delinquencies in these laboratory accounts?

A. I think Mr. Sutherland was the first man.

Q. When?

A. November 5th or 6th, I think; I would not say positively which date.

Q. During the investigation in Bennett's room before December, 1875,—the meeting of the Regents,—were you not aware that there were numerous accounts stubless, and that it was claimed that you had not paid them to Dr. Douglas?

A. I knew that there were stubless accounts, but it was not claimed that I had not paid them to Dr. Douglas. There was no such intimation.

Q. Were not the stubless accounts for '74-5, which were found included in the list for that year, in the "long book," and the amount which you paid over to Dr. Douglas in October?

A. I paid that under protest, giving Dr. Douglas to understand at the time that those accounts had all been paid to him,—at our annual settlement either the last of June or the first of July,—at that time; I did not remember the date of it.

Q. Were not all such accounts which were found embraced in the other lists prepared with your assistance for the previous year?

A. The list for the previous years included not only the stubless accounts, but all the accounts which had not tickets in the students' hands to account for them.

Q. Did they embrace all the stubless accounts for those years?

A. Yes, sir; even back as far as '68-9 and '69-70, in which you find part of them reported by Dr. Douglas in his annual statements. It includes those also.

Q. Did you present to the Regents at their December meeting, 1875, a written statement? Look at the printed report for '75, page 491-499, and say whether that is the statement, or a copy of it.

A. This is my name signed to it.

Q. Is that the statement?

A. I should have to compare it with the original to see whether it is or is not.

Q. Have you ever compared it?

A. I have not.

Q. Have you read the printed statement?

A. I don't know that I have ever read it except occasionally a section. I think I have never taken it to read it through.

Q. Do you recognize any part of it?

A. Parts of it I recognize; and for what I know there may be the statement which I presented there.

Q. Does that statement contain a correct description of the books kept in the laboratory and on the mode of accounting between yourself and Dr. Douglas?

A. It does not, sir.

Q. Have you not previously given the same description of the mode of accounting between yourself and Dr. Douglas to Dr. Angell, Mr. Bennett, and others?

A. No, sir. In regard to that statement I will say like this: That the statement was drawn up by Mr. Sawyer and given to him while the Regents were in session. He asked me to copy it, and sign it, and bring it over. I did so without even comparing it with his copy. Had I drawn the statement myself there are parts in there which I may not have put in.

Q. Did not Dr. Douglas and yourself entirely agree as to the mode of accounting between you? If not, wherein did you differ?

A. At what time?

Q. In your examination of the accounts.

A. We never got through examining those accounts until that appeared in the papers. We never got so far along as to examine the annual statement.

There was nothing said in regard to these stubless accounts,—whether they had been paid over by me. That question was not raised. I supposed he understood that just as well as I did; and I am confident he did.

Q. Did Dr. Douglas and yourself entirely agree as to the mode of accounting between you? and if not, wherein did you differ?

A. During that examination the question was never raised between us as to how we accounted. There was nothing said while we were accounting. That question was not raised, or anything said in regard to it.

Q. Look upon the statement contained in the second, third, and fourth paragraphs, page 94, of the printed records of the Regents, and state whether they are true; and if not, wherein they are not true.

A. The second paragraph corresponds to the ordinary settlement. I mean by that the one previous to the final settlement,—all settlements, previous to the final settlement for the year—a correspondence to the general settlement. The final settlement is different, as I explained some days ago. The third section I believe is correct. I see nothing with this hasty reading but what is correct—the third section.

Q. How is the fourth?

A. Neither the third nor fourth have any reference to stubless accounts, nor tickets which were still held by the students.

Q. Why did you not in that statement describe what you now claim to have been the mode of making the annual statement?

A. As I said, this statement was drawn up by Mr. Sawyer, who was not conversant with the facts. I did not compare it with the original. He asked me to copy it and bring it over, the entire statement.

Q. In paragraphs two or three and any other portions of the statements contain [is there?] any allusion to stubless accounts or the manner of settling them?

A. I don't know whether the word "stubless" is used in the whole communication or not. There is one paragraph that would cover it.

[Question repeated.]

A. I don't think the word "stubless" is used in them. It has no reference to those whatever.

Q. Does not the whole statement imply that your settlements with Dr. Douglas were wholly upon the certificate receipts and stub-books?

A. No, sir; I think not.

Q. Show wherein it does not. Do you not claim that you have delivered to Dr. Douglas certificates and vouchers for all accounts that you have received from students?

A. I think not, sir.

Q. Did you read the report of Regents Gilbert and E. C. Walker indorsed by regent McGowan, made to the Regents in December, 1875, and did you observe what is there said about stubless accounts and the amount of \$2,281.53?

A. I presume I have read it, though I do not now remember what it has reference to. Here is a tabular statement of each year, giving the stubless accounts. I have it here before me.

Q. You have observed it?

A. I see it now.

Q. Had you seen it before this?

A. I have seen it. I never examined it closely to see whether it was correct. I presume I read the report when they made it.

Q. Had you not been aware, ever since the report of the Regents' committee in June last, that that report charged you with all stubless accounts?

A. Yes, sir?

Q. Until your testimony before the committee, have you ever claimed to any Regents, or to President Angell, or Mr. Bennett, that you had paid stubless accounts to Dr. Douglas? If so, to which of them, and when, and what did you say on the subject?

A. Neither that committee nor the Regents would hear me. Had they heard me in June, they would have heard of it then. They refused to hear me, and therefore I had no means of telling them.

Q. We want a reply to the whole question. Give any of those persons' names.

A. Before that time, I said to Dr. Angell,—that is, in reply to the question which he asked me, "What about the stubless accounts,"—I said to President Angell, "If I cannot convince you that I have paid those accounts, of course I shall have to pay them again."

Q. In the investigation of the accounts before the laboratory deficit became public did you not repeatedly say to Dr. Angell and others that you would stand by the stubs?

A. I don't know what is implied there.

Q. It is a very plain question,—whether you said so or not.

A. The stubs are correct so far as they go.

Q. Did you not say so?

A. I have no recollection of making any such statement as that. I might answer that I stand by the stubs now as far as they go.

Q. Pending that investigation, were the stub-books containing stubs of subsequent deposits or payments mentioned or referred to?

A. No, sir.

Q. Did you observe by their report that the Gilbert-Walker Committee were ignorant of any such stub-books?

A. If I understand their report, I don't think it implies any such statement. [Question repeated.]

A. No, sir. I don't think that their report implied any such thing. Those subsequent payments are all on the record, so that they must have known of the stub-books.

Q. Have you made any allusion to those stub-books to any person officially engaged in investigation of the laboratory deficit until since the recent discovery and production of these stub-books?

A. Yes, sir. I spoke to Mr. Briggs in regard to them. I think Dr. Douglas swore to it in his statement before the Grant-and-McGowan committee, and Mr. Briggs then asked me what they were. They are nothing that have any reference to it one way or the other. They are merely a receipt to the students to the money paid. That money goes on to the ledger, and the stub-book is simply to keep track of it; and when the Doctor referred to it in his testimony before the Grant-McGowan committee, Mr. Briggs asked me what those were,—and I explained to him what they were.

[Question repeated.]

A. Do you include Mr. Bennett as officially connected with them?

Q. Yes.

A. I may have spoken of it to Bennett; I don't know whether I did or not; I would not say positively that I did. They are of no importance, and there-

fore I did not think it was worth while. I would not say certainly whether I spoke to Bennett about it or not.

Q. Have you spoken to any one else?

A. I have no recollection of any one else.

Q. Have you any recollection of speaking to Mr. Bennett?

A. I am not certain.

Q. Did you not enter on the ledger all payments by students having tables in the laboratory at the time when such payments were made?

A. No, sir.

Q. If you say you did not, how could any one know from examining the ledger what, at the time of the examining, was the amount received?

A. When the student made a subsequent deposit, after he had a table and a deposit ticket corresponding to one of those tickets, I then made him out one of these blank receipts, which I explained the other day; then he makes a second deposit, and I signed this and handed it back to him, which is a receipt for his money. At the same time I enter that amount on the stub of this same ticket, which has the number, the amount, the man's name, and the date, and the page of his account in the ledge. That is entered in this at the time he pays the money. It may be a week, it may be two weeks, before I post it from this stub into the ledger,—between the time of his paying the money before it is entered upon the ledger. When it is entered upon the ledger, however, it is entered of the date on which it is on the stub here. It may be two weeks afterward that it is put in. Although it is not entered at the time of receiving the money, it is entered in the ledger of the date corresponding with the stub.

[Question repeated.]

A. Whether it is entered the date at which the money is paid.

By Mr. Kelley:

Q. We want to know this: If a person should come into the laboratory and examine that ledger, how could he ascertain from the face of it whether all the money that you had received appeared upon the ledger at that time or not?

A. It is all entered on the ledger. All the money I received I enter at the date at which I received it.

Q. The question is, how would a person ascertain from the face of the ledger whether all the money, at the time he made his examination,—whether you had received money that was not upon the ledger? would there be any way?

A. I received no money except what was on the ledger, so that the ledger would show for the whole of it.

Q. I understood you to say that it might be a week or two weeks from the time you received it or entered upon the stub before you put it upon the ledger?

A. Yes, sir; but when it goes upon the ledger it goes on the ledger with the date of the stub. At the time intervening you might take the ledger, and it would not show the money that the man paid.

Q. Take the stub-book for '72-3, stub 52: what does the certificate show, and for what amount?

A. W. L. Ayers, \$10.

Q. Refer to the ledger, October 15, '72, and state what you find.

A. I find that he entered the laboratory October 15, '72; a credit September 8, of \$10 in money; the man's account was \$35.10.

Q. Refer to the same ledger, page 189; what do you find there?

A. I find an account of \$2.75, and March 21 a credit of \$2.75.

Q. Refer to the book of stubs for subsequent deposits for the same year,—stub 82.

A. There is no stub 82 that year.

Q. Eighty-two of the next year,—February 12, 1873.

A. This is an account of Ayres. This account on the ledger is Banks.

Q. Ayres is what you looked at first?

A. Yes, sir.

Q. Page 189 on the ledger account?

A. That is the ledger account I have got,—S. G. Banks.

Q. There is another ledger?

A. Yes, sir; it is on this ledger, W. S. Ayres. There is no credit given there at all.

Q. What is the amount of the account?

A. \$5.35. That is 1872, however.

Q. Stub 82?

A. That stub 82 is Ayres, February 12,—a credit apparently of \$20.

Q. Was it ever credited on any account on the ledger?

A. That is an account which should be credited. That corresponds with the number of the stub.

Q. What became of the \$20.

A. I don't see now whether that has been paid on there or not,—not on that ledger, at least. He may have some other account. Whether it is credited there—

Q. Was Mr. Ayres' account one of the delinquent accounts as reported by the Regents' committee?

A. That I don't know. I would have to look and see.

Q. What means have the Regents' committees of ascertaining that that \$20 had been received by you without knowledge of these newly discovered stub-books?

A. If his credit was on some other account, they would not have.

Q. Turn to stub 110 same year, and state what appears?

A. J. D. Brown, October 3, \$10.

Q. Turn to the ledger, page 386. What appears there?

A. J. H. Brown, October 3, \$10; November 25, \$10; Debtor \$14.10. There would be a balance due the student.

Q. Turn to stub 69 of subsequent deposits, and state what appears?

A. I find that Brown is credited on the ledger and also has a stub for that amount.

Q. How do the dates correspond with the credits?

A. The date does not correspond.

Q. What is the date?

A. One is given February and the other November. Right there I wish to explain that. This \$10 that appears on this stub is the same one which is credited there. I will explain why those dates do not agree. It is proper, I suppose, right here?

Q. Yes.

A. This ticket was made out and given to Mr. Brown on the 5th of February, and dated on the stub the same day it was dated on his ticket. He did not pay the money at the time that the ticket was made out.

Q. When did he pay it?

A. It might not have been paid until the next year.

Q. Was this \$10 ever credited to J. G. Brown on the ledger?

A. I presume it was. He would hardly be likely to make two deposits and pay \$30 on account of \$14.10.

Q. Why do not the dates correspond?

A. Why the dates do not correspond I do not at present see.

Q. Turn to stub of certificate number 26, 1874-5: What appears?

A. September 28, '74, A. T. Young, \$10.

Q. Turn the ledger page 24, the same year.

A. A. T. Young, September 28, \$10; December 4, \$10; May 4, \$21.30.

Q. Now turn to subsequent-payment stub 103; was this \$10 payment credited to Mr. Young on the ledger? And if so, when and where?

A. When we make out a ticket of this kind we bring them up at the final settlement. When he came up to settle, if this account had not been entered on the ledger, I would enter all three of these. In that case it was entered, I suppose, in that way. If they are not entered, and they bring up their ticket to settle,—if I had not posted them from the book on the ledger—suppose the account was \$14.10, for instance. Suppose I had not entered that subsequent payment (the second payment), I would simply give him credit for the balance of his bill and destroy that ticket, so that instead of entering the credit for the \$10, and then charge him for the amount returned that day, I would simply give him credit for the difference between his account.

Q. Have you accounted to Dr. Douglas for any subsequent payments appearing upon the stub-books which are not credited on the ledger?

A. Not unless they are settled in their accounts in that way.

Q. Have you accounted to Dr. Douglas for the subsequent payments appearing upon these stub-books which are not credited on the ledger?

A. I think they are all credited on the ledger in that way. I don't know of any but what are. If there are any it is a mistake in posting the books; that is all. I do not know now of any but what are so entered. I have not examined those books. I don't know anything about them.

Q. Where did those books come from?

A. They have been in the laboratory ever since the doctor first brought them there in '69, I think.

Q. You say in your annual statement you accounted to Dr. Douglas for all subsequent payments on stubless accounts for the year?

A. Yes, sir.

Q. How did you and Dr. Douglas ascertain what stubless accounts had been received by you during the year?

A. I went over the ledgers and took off the stubless accounts, and gave it to him during the annual settlement in bulk, not giving him the names in detail, but giving him the whole amount at the time of the settlement?

Q. If you say it was by examination of the ledger, explain the method briefly.

A. I would go through the ledger for the whole year, and all the stubless accounts I would take off and foot up, and give him the footings,—the whole amount in bulk.

Q. State whether you did or did not refer at the same time to the certificate stub-books?

A. When I made this up?

Q. Yes.

A. I supposed those all to be posted in the ledger, and used to go through those about once a week, or once in two or three weeks, and place them on the ledger.

Q. If you did not use those how did you ascertain what were stubless accounts and what were not?

A. At the close of each year I can tell every man's account,—whether it was a stubless account or whether it was an account with a ticket; I can tell by looking at his account almost invariably.

Q. Are there marks or checks on the ledger indicating the examination of stubless accounts ever made by you and Dr. Douglas?

A. Checks on the ledger?

Q. Yes.

A. No; except in one instance, where I called your attention to it the other day, where he signs. I guess that is the sub-payment on forfeit account.

Q. Is there any memorandum or writing of any kind or description, showing or tending to show any settlement between you and Dr. Douglas in respect to the stubless accounts?

A. The check for the amount of money which I paid him.

Q. Have you anything more?

A. The amount that he returns for these previous years '68-9, '69-70, 66-7, '67-8 will show.

By Mr. Kelley:

Q. Did you and Dr. Douglas ever examine this subsequent stub-book to see if the money had been posted?

A. No.

Q. Look at that stub and say whose signature that is written across the stub.

A. That is Dr. Douglas' signature, sure.

Q. How did he come to write it there?

A. I could not tell you.

Q. Can you find it upon any other stub in that book which you have?

A. I don't know.

Q. Did you make copies of the stubs of subsequent payments at the time you copied the other paper?

A. No, sir.

Q. Did you have access to that book?

A. This book was at the laboratory.

Q. Did you examine it at the time you were investigating the laboratory accounts?

A. No, sir.

Q. Are there any other subsequent payments made after the stubs upon which the signature appears in that year?

A. The next commences with number one, not in my handwriting. I presume that is Miss Crane's. Probably Dr. Douglas signed his name there to indicate—I think now I know how Dr. Douglas come to sign that. I think that after I was suspended from the University, in settling up with Dr. Douglas, I called his attention to this subsequent payment on this account and paid him over the money on it, and he signed it, writing his name across the face of it. I think that was the way of it. I think that is the way it came there.

Q. What mark, if any, did you use upon the stubs to indicate that the same had been posted upon the ledger?

A. The letter *E*.

Q. Are the letters *E* that are written upon the several stubs in this book in your handwriting?

A. I think so.

Q. Do you find any marks in that stub-book indicating a settlement between yourself and Dr. Douglas? I mean of the subsequent deposits that appear in that book.

A. There are no others, I presume, with Dr. Douglas' name on them: not that I know of at least, or any other mark put there by Dr. Douglas that I know of.

By Mr. Mills:

Q. Let me enquire of you whether, at any time, you called Dr. Douglas' attention to that stub-book, or any of that class of stub-books?

A. You mean after this examination commenced?

Q. At any time.

A. Dr. Douglas had them printed and brought them for that purpose to the laboratory.

Q. When?

A. They began in 1869. Dr. Douglas had them printed and brought them for that purpose, to give the students notice to make a second deposit or subsequent payment, and it was commenced in the year 1868-9.

By Mr. Newcomb:

Q. Did the student always make his deposit when notified?

A. No, sir.

By Mr. McArthur:

Q. I would like to inquire whether Dr. Douglas was aware that you were using them during that time?

A. He must have been aware of it. He brought the books there for that purpose. Certainly was aware of it.

Q. You never called his attention to the stub-books in any way?

A. I could not say now as to any definite time of ever calling his attention to it, but it was a matter that was thoroughly understood by all persons around the laboratory.

Q. His attention must have been called to it when he signed his name to one of these stubs?

A. Yes, sir. That is the last one.

Q. Is that the way you explain it?

A. I am very confident that is the way it was. It was after I was suspended. It was some where near the last of December. I paid over to him all the moneys that were then in my hands. There were two accounts which had regular deposits, and there was one unpaid that I called to mind, of these subsequent payments; and I feel very confident that is the way his name comes to be written across the page of that stub.

THE EXAMINATION OF DR. ROSE RESUMED.—FEB. 10, P. M.

By Mr. Taylor:

Q. Have you examined the questions asked you yesterday?

A. With reference to those names on the stub-book?

Q. Yes.

A. I have not quite got through with those stubs; I have got through all but a few.

Q. Have you run over those books?

A. Yes, sir; so far as I could. I do not see that those accounts have been posted. Those are the only ones but what I find are accounted for.

Q. The December report of the Gilbert-Walker committee, page 481, contains this passage: "The book of stubs with receipts detached therefrom and given to the students, and the original credit entries paid each student in the ledger, should correspond, and together afford ample facilities for the verification of this branch of accounts. We say above, 'the original credit entries,' for we notice no evidence from the stubs that receipts were ever given for subsequent deposits made by the students to recover the value of materials bought by them after they had exhausted the first deposit. Such subsequent deposits have been credited in the ledger only, leaving no stub to verify the account or call attention to the fact that subsequent deposits had been made." When you read this passage were you not made aware that the committee was ignorant of the existence of the subsequent-payment stub-books?

A. I have no recollection as to that. I would supplement what I said last evening with reference to these stub-books. The question was asked me whether I had said anything to any one who was officially connected with it, or something like that. After going home I recalled to memory a conversation which occurred at the December meeting of the Board of Regents between Dr. Douglas, Regent Estabrook, and myself with regard to those stub-books. The question was asked me whether I had said anything to any one who was officially connected with it, or something like that, so that it was brought to notice of those who were officially concerned.

Q. What was the conversation in regard to that?

A. The question came up whether there were any other stub-books than those, and I replied then that there were those on which the subsequent-payments were made up.

Q. Why did you not at that time or subsequently inform some persons interested in the investigation of the laboratory deficit of the existence of those subsequent-payment stub-books?

A. I would state right here that I did not suppose it was necessary. I supposed that every account which occurs there is posted in the ledger, and so far I find only those two that are not accounted for; and I am not certain but what we may show that those are.

Q. Were all subsequent payments made by students entered on the stubs of these books? And if not, what were and what were not so entered?

A. Some were entered on these stubs, others were entered direct on the ledger. Only those that were entered on the stub are where they had a notice served upon them to make a further deposit. Where a man came up and settled his account, not having had a previous notice or made a previous deposit, no subsequent payment goes on the ledger direct.

Q. Do you find any credit on the ledger for the \$10 appearing on stub 96 of the subsequent payment stub-books of 1871 to have been paid by O. C. Johnson?

A. Mr. Johnson that year had a pharmacy account of \$35.85. He made a deposit November 3d, \$10; then November 2d I sent him a notice to deposit another \$10,—ticket number 96 of the subsequent payment deposits. He made a deposit of \$10. That ticket he retained in his possession until he got through work, which was some time in June, I think,—very nearly June 24. The date is not in here, but it was done about commencement time. Then he brought back his receipt for this \$10 and his original \$10 deposit ticket, and paid the

balance, which would be \$15.85; and then the whole credit is entered here at the date at which he returned his ticket not paid, and entered this not for [?] the date of November 2, and the other separate, but entering it all in one credit, the balance of his bill, taking out simply the \$10.

Q. Is O. C. Johnson's account a delinquent account?

A. It is not, sir, I think, so far as I know. I will see. He has two accounts for that year,—one in pharmacy and another in the qualitative, I think, amounting to \$43.70, settled June 28, and both accounts placed on one ticket. The ticket is now what we now denominate a missing—a delinquent account.

Q. Was the \$10 ever accounted for to Dr. Douglas? And if so, what is the evidence of it?

A. It was accounted for on the ticket. The ticket is backed for the whole amount, \$43.70, the amount of the two accounts.

Q. Deposit money and all?

A. Deposit money and all.

Q. How do you explain the fact that the \$10 was a credit on the ledger when paid or soon afterwards?

A. It is a very frequent occurrence that the amount is not credited until the student presents his ticket. He had the receipt for the \$10, and when he comes up to settle, I require of every student to present his receipts, and give him credit for whatever receipts he has with my name on it. Where there is any money taken on those subsequent deposits the student holds the receipt for that amount, so that when he settles I require the receipt to be shown.

Q. Should not the ledger show it whenever any money is received?

A. It was not customary to enter all those deposits; that is suppose a man might have an account which was less than the \$20: in that case I would simply enter the amount of his bill. Suppose a man had an account of \$15, and after making the original \$10 deposit I should send him a notice for an additional deposit, and he makes an additional deposit of \$10; now if I had not posted that on the ledger until he comes to settle his account, when he does settle it he would put on the back of his original deposit ticket the amount of his bill, \$15, and he would certify to that and I pay him back the \$5. I would simply enter on the ledger the credit of \$5, the difference between the original deposit and the amount of his bill; but if upon the whole transaction there had been found no other credit of \$10, I would then charge him that \$5 returned; but that has not been customary for the simple reason that it would have taken a good deal of labor.

Q. Were certificates of the amount of the students' accounts generally indorsed on subsequent-payment tickets? How frequently was this done?

A. It never was.

Q. What do you say about this ticket?

A. It was indorsed on his original \$10 deposit, which was given October 4.

Q. I thought you referred to this ticket?

A. No, sir.

Q. Do you find the \$10 on stub 84, subsequent-payment stub-book of 1870, credited to Lohman on the ledger?

A. I find he has an account with pharmacy. He went to work January 25; made a deposit January 28 of \$10, which occurs on the regular deposit ticket; and he got through work and settled up May 4, and then paid \$20.80; and this \$10 which is on this stub-book is undoubtedly included as a part of that \$20.80.

Q. In the case of O. C. Johnson, do [did?] you rely on your memory for the

entry, or do the books show, as you state, a stub receipt bearing date November 2, 1870, \$10, and you say settled in June?

A. I say that is the common practice to rely upon that. That is the same as this case of Lohman. The entry here of March 1 is not entered on the account. This March-first payment is not entered on here, and when he settles up and brings the ticket to settle up, he brings his original deposit of \$10,—this receipt for \$10, and then pays the balance; and I enter all at the time of closing the account. That is the general way we make them. We depend upon their bringing their stub receipts to show for it. Sometimes, when they would come up and claim they had a receipt and did not bring it with them, I would have to go back to the stub-books to see whether it was true or not.

Q. For the year '73-4 how many packages of wrappers are missing? That is, how many more packages did you make up that year than there are now wrappers found enclosing vouchers?

A. Do you mean done up in packages with the paper put around them?

Q. Yes, sir; and the enumeration.

A. There were no more packages with wrappers around them than what there are here, but there were tickets delivered over at the time these packages were delivered over, which were not put in the package at all,—not included in the package,—what we might say "loose" tickets.

Q. If the figures on the wrappers found for the year '73-4 answer to the vouchers found in them, and cover all the vouchers, returned by Dr. Douglas that year, must not the missing vouchers have been enclosed in the missing wrappers?

A. Not necessarily. They were included on the missing settlement tickets, but not in the wrapper. They were not done up and a wrapper put around them the same as these are here. They were simply given to them loose.

Q. Are not the wrappers of '73-4, which are in your handwriting correct lists of the certificates enclosed in them and turned over to Dr. Douglas in your settlement with him during that fiscal year?

A. The wrappers that are in my handwriting—all the tickets are there that are enumerated on those wrappers except one ticket. There is one ticket missing included on the wrapper that is not there. Those wrappers do not include all the tickets, by any means, that were turned over.

Q. You say that some of those wrappers are not complete memoranda of genuine settlement: has anybody ever claimed that they all were? If so, who, when, and where?

A. My recollection is that Dr. Douglas swore that they were regular settlement tickets,—that each one was a separate settlement ticket. That is my recollection of Dr. Douglas' testimony.

Q. Were they not used by you and Dr. Douglas in your settlement as correct lists of vouchers enclosed in them and turned over to Dr. Douglas?

A. Those lists were simply taken as memoranda,—simply footings of those amounts that were on that wrapper. They were used for no other purpose.

[Question repeated.]

A. So far as they go,—all those tickets that are included in that.

Q. You say there was a settlement on the 13th day of June, '74, and that this settlement embraced package number four, \$215.35; number two, \$51.25; number seven, \$74.30; total, \$340.85. Are there not in packages number three and eleven of that year certificates of a date anterior to June 13th calling for \$417 in cash from you?

A. I never said they were included in his settlement. They were turned over June 13th. I did not say that four, two, and seven were included in the annual settlement, to start with. That is my recollection, sir.

[Question repeated.]

A. Package number three runs from April 8th to June 13th; package number eleven runs from April 30th to June 24th. There is one ticket for April 30th, one for June 10th, and the rest all occur after June 20th.

Q. Why were not these certificates of a date anterior to June 13 embraced in the settlement which you say was made at that date?

A. It sometimes happened that when a student settles up his account he does not have his ticket with him to have it endorsed on it; and sometimes it is days and perhaps weeks before he brings it around to have it endorsed. Sometimes a student even goes home and sends me his ticket after he gets home. In that case it would be paid, and it is not endorsed on the back,—the date at which the money was paid, so that it might be paid weeks before the ticket comes into my hands.

Q. On the outside of the wrapper number seven what figures do you find?

A. On the outside I find 11, September; 15, October; 3, January; 1, December, and written on here, "Not checked \$397.40." I should say it was pretty well checked.

Q. Whose handwriting is that "not checked \$379.40?"

A. I could not say, sir, for certain.

Q. Is it yours?

A. It looks to me like it. I would not want to say whether it was or not.

Q. There is probably a mistake in the number of the wrapper.

[The witness is referred to his testimony, pages 50 and 51, and it is read to him].

A. That is true.

Q. Why were not the following certificates in package number 1, which you say was settled on the 19th of June, namely, certificate dated April 24, \$45.05; April 25, \$34.35; April 24, \$34.30; May 29, \$11.90,—included in the settlement of June 13, if there was one?

A. I wish you would give me the names of those persons.

Dr. Douglas—We have not got the names, but only the copy of the wrappers.

A. It will take me some time to find the amounts unless I have the names. Earl has an account of \$45.05; do you want to know why it is not included there?

Q. Yes.

A. The ticket has not been returned.

Q. Look in the package and ascertain whether the ticket is not there.

A. I would have to go through the package and find it.

Q. We won't ask you to do that now. Take the next one out.

A. I know of only one account for that year of \$34.35. That is D. W. Harvey, and that is enumerated on the wrapper. The ticket is not there. The amount is enumerated on the wrapper of June 19. The ticket was not there when I copied them, which was the first part of January, '76. The ticket is not there, and it never has been there since. It was turned over to Dr. Douglas undoubtedly. There is no question about that. On the wrapper it is marked "\$34.35 short." I don't know whose handwriting it is; probably in Bennett's handwriting.

Mr. Tregaskis—I wrote "short."

Q. Do you find the next item?

A. There is a ticket for \$11.90.

Q. Whose is that?

A. C. H. Hopper. It occurs in the settlement of June 19, on the wrapper. The ticket is not in the package.

Q. On what wrapper?

A. Wrapper number one.

Q. Why were those not included in the settlement of June 19, if there was one?

A. There was a settlement June 13. The ticket for this Hopper should be \$11.90, if that is the proper one, although it was settled May 29. The ticket probably did not get into my hands until after June 13. The one of Harvey was not settled until June 19th.

Q. What is the amount of that?

A. \$34.35.

Q. Were there not in your hands on the 13th of June certificate vouchers calling for over \$500, which according to your own statement were not embraced in that alleged settlement on that date?

A. I have no recollection of making such a statement as that.

Q. This last,—Hopper \$11.90?

A. That is in the package June 19.

Q. The question is why they are not embraced in the previous settlement?

A. I have explained that once.

Q. Can you find Sauls, \$34.30, and why was that not included in the settlement of June 19th?

A. Sauls is included in the settlement of June 19th..

Q. What is the date of the ticket?

A. The date of the ticket is April 24.

Q. Why was it not included in the settlement of June 13?

A. I presume for the same reason.

Q. What was the reason?

A. The reason probably was that the ticket did not come into my hands until after that settlement.

Q. April 24; Otte, \$45.05?

A. That is, I think, in the same settlement,—the same day,—at least so on the wrapper. I do not know whether there is any date of that given to it on the wrapper.

Q. Why was not that contained in the settlement of June 13th?

A. I don't know any other reason, as I stated. In going over that ticket it might have been in the drawer,—shoved under some of the other books and papers and been overlooked.

Q. Coad, June 17, \$12.70?

A. I don't know the reason why, it evidently was not settled after that.

Q. Is the ticket there?

A. Yes, sir; it is in the package settled June 19. It is in that package.

Q. You think the ticket came into your hands June 5th?

A. I can't say that. I can't say the money was paid me June 5th. I am very certain I had not the ticket.

Q. Can you tell by referring to the ticket whether the ticket was in your hands when the money was paid?

A. No, I do not presume I could.

Q. Examine it and see. When was the certificate on the back of that dated?

A. I should say by the looks of that ticket that it was filled out by me on June 5, '74, and Mr. Coad signed it some time after; for it is signed in different ink from that which I filled it out with; evidently was not signed at the laboratory. It was different ink. He very likely may have gone home and sent it to me afterwards. I should say the ink was different from that in which it is filled out by me.

Q. Find the ticket of Crane there while you are about it.

A. A. D. Crane—I have got it right here.

Q. That is dated June 1st,—is it not, \$15.95?

A. Yes, sir.

Q. Why was that not included in the settlement of June 13?

A. I don't know, I am sure.

Q. In whose handwriting is it filled out?

A. It is filled out in my handwriting; signed by Mr. Crane.

Q. Do you find a ticket for Graham?

A. W. H. Graham \$39.50; yes; it is settled June 11.

Q. Why was not that included in the settlement of June 13?

A. They are all of one class. I do not know of any other reason.

Q. Were the tickets which you have enumerated all included in the settlement of June 19?

A. Yes; they are all included in the June 19th settlement.

Q. C. H. May, \$13.50?

A. Yes, sir.

Q. What did you do with that?

A. June 12th, '74. Not filled out in my handwriting, I think, at all.

Q. Can you give any reason why that did not go into the settlement of June 13?

A. I presume likely when he paid me the money he had not the ticket with him, and he filled it out after he went home and sent it to me by mail; or he might have dropped it in the postoffice. It is a very common occurrence that they drop them into the postoffice.

Q. When you settled the accounts in that way and did not take up the voucher at the time, would you pay over the money that you received?

A. Not until I got the voucher, unless the voucher did not come in.

Q. Were there not in your hand on the 13th of June vouchers, or had there not been certificates previously issued for over \$500, which, according to your own statements, were embraced in that alleged settlement of that date?

A. These tickets that I have just read,—the money was received on those prior to June 13, but I have no evidence that the certificates were in my hands by any means. The tickets were at that time in the hands of the students.

Q. We want you to answer that question?

A. I will have to take time to figure that up. Let me have the question to-night, and I can probably figure it out to-morrow.

Q. Were there not in your hands, on the 13th of June, certificates calling for over \$500 which were not included in the settlement of the 13th of June?

A. Without stopping to figure it, I should say no.

Q. And if not, for what sum?

A. I shall have to figure it.

Q. Did you say the list of forfeited accounts for 1864, which has been produced here, and is in your handwriting, was prepared by you October 18th?

A. It was prepared October 18th; but it was the forenoon of October 18th. There was nothing said about the deficit at that time. He took up the stub-book, and wanted a list of stubs marked "forfeited," and he asked me to write the word "forfeited" on them.

Q. Do you also say that the stubs of the accounts in that list were at that time (October 18) marked "forfeited?"

A. I think they were all marked "forfeited" at that time. That is the time the word "forfeited" was written on those. They had not been written on before that.

Q. Why in this are only the amounts of original deposits given, and why are none of the subsequent payments on any of those accounts included?

A. He did not ask for the subsequent payments. He added those at our annual statement in July, and he only asked for the amount represented by the stub. I asked him no questions as to what he wanted of those.

Q. Had Dr. Douglas also had the original deposits on those?

A. Yes, sir?

Q. Previously?

A. Yes, sir.

Q. If those forfeited accounts, including both the original deposits and subsequent payments were, as you say, settled and accounted for at the annual settlement in July, why were not the stubs at that time marked "forfeited?"

A. For the same reason that you find it any other year. You do not find them all marked "forfeited" during any of the years.

Q. What was the reason?

A. I don't know as there was any reason? Dr. Douglas went over that and always marked them "forfeited;" when they were marked "forfeited" the word "forfeited" was always written by himself. That year he did not write it, and on the 18th of October he came around and gave me a list of them and asked me to write the word "forfeited" on them, and I did so.

Q. Was not this list prepared for the purpose of settlement of defaulted accounts for 1874-5?

A. There was nothing said about it.

Q. Was it prepared for that purpose?

A. I don't know what it was prepared for. He asked me to make it out, and I made it out. There was nothing said as to what he wanted with it one way or the other.

Q. Did you have any understanding?

A. I did not know what he wanted with it. I knew nothing about what he wanted.

Q. We understand you now to say that there was a full settlement between you and Dr. Douglas, of all stubless accounts and forfeited accounts, including those subsequent payments for 1874-5 in July, 1875?

A. Yes, sir.

Q. Have you so testified in substance?

A. They were settled in July, 1875. That was the day of settlement that year.

Q. You answer No to that question?

A. No; I said they were settled for July 6, 1875.

Q. In your written statement to the Gilbert-Walker committee in December, 1875,—Record, page 497,—did you not, by way of explaining how you came to be found in default in October, 1875, and how he came to pay Dr. Douglas soon

afterwards the sum of \$645 for delinquencies, or alleged delinquencies in that year 1874-5, say that "on the 18th of October the accounts for the year were all in an unsettled state. When the Director came to me for the first time, the accounts for that year were all in an unsettled state. We had not gone over the year's accounts to see if there were any tickets still in the hands of students, what unsettled accounts that were still lying over, and whether there were any deposits that were forfeited. The accounts were unsettled?"

A. I think that is the statement, as I said the other day,—that statement is not correct and was not correct at that time. That statement was drawn up by Mr. Sawyer, who was not conversant with the facts. What is in there he did not get from me, and I do not hold myself responsible for that statement.

Q. You signed this statement,—did you not?

A. He asked me to copy it and sign it, and bring it over there, and I did so.

Q. Which of these two conflicting statements is true?

A. The statement which I have sworn to here is true.

Q. Have you not stated to one or more persons since the discovery of the deficiency of '74-5, and the payment of the \$645 to Douglas, that you were indebted to the University at the time of the discovery of the account, several hundred dollars, but that you intended to render an account of all money in your hands and pay it up when the proper time came, or at some future time?

A. No, sir; I never made any such statement to any person.

Q. Have you made any statement of this kind or of like tenor to any one?

A. Not to the best of my recollection and belief; never.

Q. Did you ever make any statement of the kind to Mr. Cramer of Ann Arbor?

A. No, sir.

Q. Did you ever make any statement to Cramer on the subject? and if so, what was it?

A. Cramer did have a talk with me,—wanted to know what receipts I had for the moneys paid over, and I told him in part what I had,—talked over the receipts of the letter *D*, and also of the red line, and he questioned whether a red line would answer as a receipt; and I may have made this remark,—that if the red line does not answer for a receipt, I shall be "in limbo," or something of that kind,—some such remark as that.

Q. If these forfeited accounts, including both the original deposits and subsequent payments, were, as you say, settled and accounted for at the annual settlement in July, why were not the stubs at that time marked "forfeited?"

A. That was Dr. Douglas' place to mark them forfeited. He failed to do it. There are several years previous to that in which he did not mark them "forfeited." I did not think anything strange of that.

Q. Was not this list prepared for the purpose of settlement of defaulted accounts for '74-5?

A. The list was made, as I said before, at Dr. Douglas' request. There was nothing said of what was to be done with it and what he wanted with it. I made the list just as he asked for it.

Q. In the list of subsequent accounts of '74-5, prepared by you soon after the discovery of the laboratory deficiency, and contained in the long book, which you paid to Dr. Douglas in November, which of the accounts are stub and which stubless?

A. It would take a little time. Give me the book and I will tell you.

Q. How many are stubbed and how many stubless? Enumerate them.

A. It will take some time for me to look that up.

Q. How many stub accounts in that list have the red line drawn across the stub, indicating a previous payment?

A. I will look it up. Speaking from recollection, I cannot remember now but what they all have.

Q. Most of them have red lines?

A. Yes, sir.

Q. In the list of delinquent accounts for the '73-4, which you certified as correct and delivered to Dr. Angell, how many accounts had stubs and how many were stubless?

A. I could not tell you now.

Q. You will look it up?

A. Yes, sir.

Q. In the case of how many stub accounts was the red line on the stub?

A. I will answer that with the other.

Q. In the list prepared on investigation of the delinquent accounts for previous years, examined and corrected by you before the laboratory deficit became public, how many stubs or stub-accounts included in those lists were red-lined?

A. That I could not tell from memory.

Q. Were not all these lists made up by comparing vouchers or students' certificates on the files of the University with the accounts on the ledger?

A. We had not gone so far as to compare anything else. As I stated last night, we had not examined Mr. Douglas' annual statement at all. That point had not been reached.

Q. Have you said at any time to your friends or any one, since the laboratory deficit became public, that while you were engaged before in making up the lists of delinquent accounts you supposed you were looking for delinquencies of Dr. Douglas and not your own, or words to that effect?

A. I don't remember ever making such a statement.

Q. Have you ever said anything of the kind to any one?

A. I said like this: That there was nothing said as to where the delinquency was, or whether there was really any delinquency. There was nothing said as to who was to blame, or anything about it.

Q. I am not asking what did happen but what was said.

A. I have no recollection of saying such a thing to anyone.

Q. Was such the fact that you supposed you were looking for Dr. Douglas' delinquency and not your own?

A. I was looking to see whether there was any delinquency at all and what year that was in. We examined that far and then began to examine the annual statements to see whether the money had all been accounted for, or I supposed when we examined those we could find it all accounted for.

Q. In the list of 1874-5 did you pay Douglas,—was the deposit money of the stubs accounts deducted?

A. I don't know whether it was or not.

Q. Will you look and see?

A. When I settled with Dr. Douglas—

Q. When you settled with him and paid him the \$645, was the deposit money deducted in the case of subsequent accounts?

A. I would have to figure it up and see. I don't remember whether it was or not. Dr. Douglas did the figuring; whether he took it out or not I can't say

Q. Was it deducted in the case of Little, Pantlind, and Hubbard?

A. It was in the case of Little, Pantlind, and Hubbard had no deposit.

Q. Was the deposit money of the stub accounts in the other list for previous years deducted?

A. Do you have reference to those lists?

Q. Yes.

A. My impression is now that it was not, though I would not say positively. I do not remember.

Q. Why was this done, if it was done?

A. I do not know that it was done.

Q. Why was this done if it was Dr. Douglas' delinquency and not your own that you supposed you were investigating?

A. We simply took the list that Dr. Douglas had without any change of it, and there was no change made from that when it was copied on to this one in my handwriting.

Q. It was copied?

A. Yes, sir; that was without any change. If the deposit was deducted it was deducted before I went there. It was not deducted by us in our recollection.

Q. In the year '73-4 the following persons had stub accounts in the laboratory which appear by the ledger to have been paid: F. Bowers, \$30; Coad, \$40.70; J. C. Morse, \$35.95; Takemora, \$46.90; Earl, \$45.05; Van Meter, \$29.15. Why were not certificate vouchers taken from them when they settled their accounts?

A. F. Bowers \$30; he has not returned his ticket. His account amounted \$38.45. Coad, \$12.70; that ticket I returned,—was returned to Dr. Douglas.

Q. When?

A. On March 18th, '74.

Q. Moss?

A. That was passed over to Dr. Douglas June 13, also.

Q. Takemora?

A. That was turned over to Dr. Douglas at the annual settlement June 26th.

Q. Ticket returned?

A. Yes, sir.

Q. H. E. Earl?

A. That ticket is still in the hands of Mr. Earl, as far as I know. It has not been returned at all.

Q. Van Meter?

A. That ticket is not returned.

Q. How many stubs are red-lined?

A. Van Meter is not, Earl is not, Moss is, Takemora is, and Coad; but Bowers is not. Three of them are red-lined, and three are not.

Q. Are the ones that are red-lined the ones on[?] which the ticket has been returned?

A. Yes, sir.

Q. Did you ever issue any deposit receipts for original deposits for which there is no stub on any of the stub-books now in the laboratory, and produced here for the committee, with the name of the student and amount paid written thereon?

A. The stub-books are all here that I have ever seen.

[Question repeated.]

A. Sometimes the students would go to work, say to-day, and run along for a month or two and not make a deposit, and I would send him one of those notices to remind him that he must make a deposit. It is barely possible that in some of these instances a man may have presented that, and I may have signed it and taken his money on it. I remember a case of sending one to Mr. Douglas here the same way. After he had been to work for some time, I sent him a notice to make a deposit, but in his case he failed to pay any attention to it.

Q. Did you ever use any other deposit receipts which do not appear on these stub-books?

A. No, sir.

Q. Had you ever any other blank deposit receipts than those in or taken from these stub-books?

A. No, sir.

Q. Did you issue any other deposit receipts to Pantlind in '74-5?

A. No, sir; I have no recollection of ever doing it. The books will show. I would say that he never had one.

Q. When you put the list of what it reported to be, a list of delinquent accounts for '73-4, in your pocket and hesitated about returning it to Dr. Angell, claiming that you wished to make corrections, what corrections did you desire to make?

A. I wanted to make it in accord with the facts as I understood them.

Q. What corrections?

A. Showing that they had been paid, all of them.

Q. Has it been customary to charge assistants, or those helping in the chemical department, for chemicals?

A. Not while they were assistants; but if they worked in there before they were assistants they were charged. While they were there as students they were charged, but while they were there as assistants they were not charged.

Q. Why do you think you paid Dr. Douglas eighteen cents in currency on July 6th, 1874?

A. It was my habit or custom when I gave him a check, to pay him odd change [in currency], and draw the check for the amount of the even dollars. That was the usual case,—that is, provided I could make it.

Q. Have you any distinct recollection of having paid him the eighteen cents in currency, or do you infer that you paid it because your figures show \$1,290.18 to be the amount you paid him at that date?

A. I infer that I paid the eighteen cents in currency, as I said, on account of making change and drawing the check for the even amount.

Q. Was not Mr. Douglas assistant in chemistry all the time he was in the laboratory?

A. No, sir.

EXAMINATION OF DR. ROSE RESUMED.—FEB. 12, P. M.

By Mr. Taylor :

Q. Have you that settlement ticket referred to on page 179?

A. I looked for it before we left Ann Arbor. I did not look in my trunk, and I have not yet since I have been here. When I was packing my things up I did not find it. I have not looked for it since, and I have not seen it since. If I have got it, it is in my trunk, and I will look and see. It has never been before the committee.

Q. Is that long red book of which this is a copy present?

A. Yes, sir.

Q. Will you please produce it?

[The witness produces the book.]

Q. Look at stub-book number 10, 1873-4, stub 78 and 79, and state whether you see any evidence that any stubs have been at that place or near there torn from the stub-book?

A. I do not see any evidence. They are in consecutive order.

Q. Where is the other half of the leaf containing stubs 78 and 79?

A. I should suppose 76 and 77 would be, as that is a single sheet, the same as this. It is loose at the bottom just the same.

Mr. Taylor. They are all single sheets through there.

By Mr. Hinchman:

Q. Did you ever tear any stubs out of any book?

A. No, sir.

By Mr. Taylor:

Q. Were you present on the morning of December 21, '75, at the meeting of the Board of Regents, when the report of Regents Walker and Gilbert in regard to the laboratory deficit was read?

A. I could not say whether I was not.

Q. Were you present at the afternoon session of the Board the same day when that report was under discussion?

A. I was present in the afternoon.

Q. Did you not yourself read the statement signed by you and found in the printed proceedings of the Board December 21, '75?

A. I did.

Q. Did you not offer to read them standing there to verify this statement by your oath?

A. I have no such recollection. I don't remember anything said about an oath.

Q. If the report of Regents Walker and Gilbert contain an inaccurate statement of the mode of settlement between yourself and Dr. Douglas, why did you not so state to the Regents at that meeting?

A. I had nothing to do with that committee nor with the Regents. I was not responsible for their report in any way.

Q. What is the amount of money called for from you on vouchers contained in package number one of 1873-4?

A. The amount called for on the wrapper?

Q. Yes.

A. The whole package foots \$403.50, with the \$150 out, leaving \$253.50.

Q. What is the amount of money called for from you on vouchers contained in package number four?

A. \$215.35, the wrapper reads.

Q. What is the amount of money called for from you from vouchers contained in package number three?

A. Wrapper number three reads \$358.45.

Q. What is the amount of money called for from you from vouchers contained in package number eleven?

A. The wrapper reads \$394.15.

Q. Were all these vouchers surrendered between the 12th and 26th of June inclusive? answer yes or no.

A. Those packages were all surrendered after the 12th of June.

Q. Add the amounts of these several packages together, and what is the sum?

A. \$1,121.45.

Q. Add to this sum the apparatus voucher \$206.23, and what is the total?

A. \$1,327.68.

Q. In your testimony, page 180, you say that several packages of vouchers were often made up and settled at the same time; may not the settlement of June 26 have embraced several of these packages?

A. It did not.

Q. May it not?

A. Had there been packages to have come in there, it might have done so; if there had been packages that might have been settled before, there were no packages to come in there, and therefore it did not.

Q. How do you know it did not?

A. For the simple reason that the packages were all settled before that, except this one lost ticket, which is not in a package at all. The others were all settled previously.

Q. How do you know they were settled previously?

A. I know we had a settlement on June 19, the Friday before commencement, the day we finished invoicing.

Q. Did you give original tickets of deposit to the following persons December, '74-5: Pantlind, L. Baker, J. W. Morgan, C. W. L. Dietrich, W. H. Fox, or either of them? And if either of them, which of them?

A. Pantlind and Baker did not have. Morgan has two accounts for that year; one has the original ticket and the other has not. Dietrich has two accounts; one has an original ticket and the other has not. Morgan's first account has ticket number 240; Dietrich's on his original ticket has 248; Fox has not an original deposit ticket.

Q. If you gave tickets to either of them, have those tickets been returned by the students, and if returned, did you issue a second ticket to either of them? If so, to which?

A. Pantlind, Baker, and Fox did not have a ticket. There was none issued to them; Morgan and Dietrich have tickets on their first account only, and none on their second. There were no second tickets to either of them.

Q. Whether the tickets have been returned?

A. There was no second tickets issued to them. Morgan and Dietrich's first tickets are returned and on file with this committee. I will look and see for certain. Dietrich's is, and so is Morgan's. Both of them are in the hands of this committee.

Q. In your testimony you say that you received large sums annually for analytical work; did the chemicals used in that work come from the laboratory?

A. They did, sir.

Q. Since you have been in the laboratory, have you ever paid for chemicals used in any analytical work? If you have, state the items and amounts.

A. Not analytical work done for myself. I have charge of students during vacation, in which I received all the fees and paid the laboratory they used, charging them so much a day for their work and superintending them, and giving the laboratory credit for the chemicals which they used. On what work I

have done on my own account in the laboratory I have never paid anything for the chemicals.

Q. Is it customary for any professor or assistant professor to pay for chemicals and apparatus used in analytical work or investigations?

A. I never knew of there being anything paid.

Q. Did the students represented by the stubless accounts ever make application in advance for tables in the laboratory.

A. The students represented by stubless accounts are usually a class of students who have worked in the laboratory either that year or the previous year.

[Question repeated.]

A. I will state, as I said, that the stubless accounts are represented by students who have taken a previous course usually. Sometimes they are by students in the senior literary department. Pantlind and Baker were both senior literary students, and they were allowed—

Q. Answer this question: Did the students represented by the stubless accounts never make application for tables in the laboratory?

A. Only when they made a deposit.

Q. If you say they did not, state how these students were advised when they could be given tables?

A. In the case of Pantlind and Baker the students came over there and went right to work; made no further application. They came right there and went to work without making a deposit.

Q. How did you generally advise students when they could be given tables?

A. The other class of stubless accounts were students who had a course in qualitative or quantitative, and wanted to go right on. They were changed right off on another table, and went right to work without any previous notice as to their wanting a table.

Q. Did you frequently receive drafts and checks from students in payment or part payment of their accounts?

A. It was not very frequent. Occasionally it would happen that a man would pay his account by check or draft.

Q. When such drafts or checks were so received in your hands at the time of any settlement with Dr. Douglas, did you turn them over as so much money?

A. Sometimes it would be the case, and sometimes I would deposit them in the bank or draw the money on them myself.

Q. When they were turned over, they were turned over as so much cash?

A. Yes, sir.

Q. How long have you been at work in analyzing the accounts and making up the statements, the result which you have given in your testimony?

A. How much time?

Q. Yes.

A. I commenced that work on them the first of January, '76, or shortly after the first, a day or so after the first, or a few days before. I don't know but I commenced on them during the vacation between Christmas and New Year's of '75-6; and I have worked on them, comparing them with the ledger, stub-books, and vouchers the greater portion of that time up to the 1st of April, '76, and then I went back into the laboratory and employed Mr. Broggs and Mr. George to go over my work; and I have been more or less at work on them since that, comparing them with the books and vouchers in the Steward's office.

Q. Are they the only assistants you had?

A. Mr. Briggs and Mr. George are the only ones who have been over the books with me. I first went over them and made copies, and they went over after me and checked off to see that I had made no mistakes.

Q. When, with reference to the entries which precede and follow it, did you write the name Grimwood in that book?

A. The name of Grimwood was written there the 24th of June, 1875.

Q. When with reference to the entries which precede and follow it?

A. It was made the same day with the three names preceding it, Roys, Miller and Clark. The other names following it were not made until June 26. They might not have been made for a day or two after that. I could not say that they were made June 26; probably they might not have been made until within a few days after that.

Q. Did you make the entries on the book which you kept in '74-5, showing vouchers turned over to Dr. Douglas, before you delivered the vouchers to him, or afterwards.

A. Before. That explains one reason why I said I was not certain when I turned this book over to him whether it was correct. Sometimes he would come around and settle when I did not have all the tickets entered on the book. In that case I entered what I could while he was looking them over. This book was kept without any knowledge—they were never entered on it after the settlement.

Q. Where did you keep such book, and where did you make the entries, at the laboratory or at your house?

A. At the laboratory.

Q. Did you make the entries with the vouchers before you or from recollection?

A. With the vouchers before me. I used to enter them as the vouchers came in, usually. When I would take the vouchers in I entered the names.

Q. What did the blank spaces and ruled lines between these lists of names indicate?

A. Settlements.

Q. Why did you leave such spaces and rule the lines?

A. To indicate the settlement.

Q. How many settlements does your long book indicate you had with Dr. Douglas in the fiscal year '74-5?

A. There are eight represented here. The last settlement is not represented on this book at all.

Q. Why is that?

A. The tickets are not entered at all, which includes the tickets which are now on file with this committee also. The settlement of July 6th is not represented on this ticket.

Q. When does it indicate that settlements were had?

A. November 20, December 24, January 19, February 15, March 21, June 3, June 24, and July 6th.

Q. Now, does the note which you gave Douglas July 6th, '75, aid or enable you to determine the aggregate amount paid him at that time?

A. On July 6th there was one stub-book account, or a ticket turned over in the regular way, and balanced on forfeit accounts and ledger accounts, amounting to \$868.99. I gave him my promissory note, payable in three months, \$200, and gave him a check on the First National Bank for the balance, \$668.99, amounting to \$868.99.

Q. Have you any independent regulation of the amount you paid Douglas in currency at the settlement of July 6th, '75?

A. I did not pay him anything in currency; I drew him a check for the balance, \$668.99. I remember the circumstance of drawing the check for the odd cents after trying to make it. We could not make the change in currency, and I drew the check for the exact amount.

Q. Where are the memoranda of the sale of the small articles which you say entered into the settlement of July 6, '75?

A. What small articles do you refer to?

Q. Refer to your settlement and see whether they were.

A. I stated it was based upon one \$10 deposit on the regular tickets turned over, \$26.25 on sub-payments on forfeited accounts, and \$413.40 on ledger accounts, or stubless accounts. That is what it was made up of, amounting to \$868.99.

Q. How many deposit tickets were issued between February 15 and March 18, and between March 18 and April 5?

A. Between February 15 and March 18, \$225; between March 18 and April 5, \$70.

Q. What reason have you for thinking you have a settlement with Dr. Douglas on March 18, '75?

A. I have no reason to think so. I think I have not stated that I had a settlement on March 18.

Q. Does not your book indicate that you settled with Dr. Douglas and turned over vouchers to him on the 15th of February, '75, and again on the 5th of April?

A. On the 15th of April, yes, and on the 31st of March.

Q. Is there anything to indicate a settlement between February 15 and April 5?

A. Yes, sir; there is a settlement marked in my book March 31, on April one, there is a ticket issued to Shaw of \$5, and on top of that ticket [is a mark] showing that the next settlement commenced with that ticket.

Q. What is at the top of the ticket?

A. "June," written in Dr. Douglass' handwriting, so that April 1 could not have been included in that settlement.

Q. When were the red lines in the long book drawn,—at the time of the settlement or at the close of the fiscal year?

A. At the time of the settlement before I entered any other names in there.

Q. When you produced this book to Dr. Douglas as a complete list of vouchers turned over, were the red lines drawn upon it?

A. Yes, sir.

Q. Why was not the list of stubless accounts which you say you paid in July, also in this book?

A. They were not entered in there. All the tickets turned over at that settlement are not entered there.

Q. Why not?

A. Simply because it was an oversight in getting them on. I did not think of it. It was not kept as an entire record; it was not intended for that purpose. It was intended simply to show how the tickets were turned over, so that I would know what were stubless accounts and what were not. The books were kept for that purpose.

Q. Why did you not keep an account of the stubless accounts turned over?

A. If I had known there was going to be any difficulty I would have done so, most certainly. I did not suppose it was necessary.

Q. Did you place upon this book at the July settlement the vouchers turned over at that time?

A. I did not, sir.

Q. What is there upon the stub-book that enables you to determine the date of the settlement on vouchers surrendered?

A. These crosses which occur on the different tickets, and sometimes the date of the settlement, is written on some of them, as in this case. The ticket given April 1st has the word "June" written on it, showing that the settlement in June included that ticket. That has the word "June" written on top of it instead of across, showing that this settlement commenced with that ticket.

By Mr. McArthur:

Q. Is there anything to indicate the exact date of the settlement?

A. There is in some of them. There is not in that case.

Q. That means you had settled there previous to June?

A. Yes, sir; when that settlement of June took place it commenced with the April 1st ticket. That is a place where he commences putting his *D* on it.

Q. Were there no settlements of debits which did not include certificates then on hand?

A. You mean at any time or at any particular settlement?

Q. At any time.

A. The fore part of the year,—yes, sir. In the month of October very frequently we would have settlements in which there would be no tickets to turn over.

Q. Whether you never settled for the deposits without settling for the tickets on hand at the same time?

A. If I had any tickets on hand they were always settled at the same time. Frequently on the month of October there would be no tickets. Tickets would not begin to come in until November.

By Mr. Taylor:

Q. What was the total of stubless accounts for the year '74-5?

A. \$445.60.

Q. When were those stubless accounts paid you?

A. I would state that I have given complete lists in my testimony.

Q. What amount do you claim to have paid Dr. Douglas on subsequent payments on forfeited accounts in '74-5?

A. \$26.25.

Q. Were the following accounts forfeited accounts: L. O. Williams?

A. No, sir.

Q. W. S. Johnson?

A. No such person in that year.

Q. L. L. Beach?

A. No, sir.

Q. J. R. Little?

A. No, sir.

Q. J. Reck?

A. Reck is a forfeit account.

Q. G. Grimwood?

A. No, sir.

Q. F. Hagadorn?

A. No, sir.

Q. Topping?

A. Topping is not.

Q. Sauls?

A. Sauls is not.

Q. Don't those names appear on Dr. Douglas' account as forfeited deposits?

A. I don't know, sir. I have not looked to see.

Q. Did you not report them to him as forfeited accounts?

A. I think not. I am pretty sure I did not. Topping is not; Hagadorn is not; Reck is a forfeited account. Little is not; Williams has three accounts; of two of them the tickets are now with this committee, and the other, number 70, is not a forfeited account.

Q. What was the amounts of subsequent payments on these accounts?

A. Beach, \$41.40; Grimwood, \$51.50; Hagadorn, \$4.90; Little, \$41.95; Sauls, \$8.30; Topping, \$27.95; Williams, \$4.55; M. E. Johnson, \$2.15.

Q. Have you had embraced in your settlement of July, 1865, other tickets than those you have named, amounting to \$417.68, or thereabouts? Would not the result of your payment to Dr. Douglas of that date have been the same as it is now?

A. That is purely mathematical. Subtract \$417.68 and add \$417.68, the result would be the same.

Q. How do you know that other tickets to that amount or thereabouts were not embraced in that settlement?

A. There were no tickets but what had been settled for to come into that settlement, but what had been previously settled.

Q. You have testified that there never was a voucher or stub for the accounts of Pantlind, Thomas, and Hubbard, page 27 in your statement, made and signed by you in your long book, as follows: "Ann Arbor, October 20, '75. This may certify that I have this day delivered the University receipt vouchers named in the above lists excepting the receipts of Little, Pantlind, Thomas, and Hubbard, which have been mislaid or lost, said vouchers covering the receipts of the laboratory from October 28, 1874, to June 30, '75. To S. H. Douglas, Director of the Chemical Laboratory. P. B. Rose."

A. As I stated when I was placed on the stand first, that certificate was written there and signed as directed by Dr. Douglas and dictated by him simply. That is his receipt and not mine.

Q. If those persons never had a voucher, could these vouchers be mislaid or lost?

A. Little has a voucher; Pantlind, Hubbard, and Thomas never.

Q. If at the time you made this statement you had handed over all vouchers and amounts corresponding, why did you use the word "except?"

A. Dr. Douglas put that in, as I said in my direct examination, as the book shows—he directed me to interline that in there.

Q. In whose handwriting is that?

A. It is in my handwriting, put there as Dr. Douglas directed me to put it.

By Mr. Hinchman:

Q. Did you know at that time whether they had ever had certificates or not?

A. Yes, sir; and I told Dr. Douglas so when he first brought them to me,—that Pantlind, Hubbard, and Thomas never had a ticket,—that they were stubless accounts.

By Mr. Phelps:

Q. Why should you sign them under those circumstances?

A. I was aware at the time that I ought not to have done so; still it was done as he directed me to; asked me to do it.

Q. Bull-dosed?

A. Practically, yes, sir.

By Mr. Taylor:

Q. Look at stub 157, stub-book 11, stub of John R. Little: is that stub crossed with the red line showing that it is passed from your hands into the hands of Dr. Douglas?

A. It is, sir.

Q. On the 21st of October, 1875, you certified that you had handed over all receipts or vouchers excepting the receipts and vouchers of Little, Pantlind, Thomas, and Hubbard, "which had been mislaid or lost:" now, if you had handed Dr. Douglas the Little voucher why did you use the word "except," and how could they had been "mislaid or lost?"

A. That was one of the names that was brought to me, and he said he had not the ticket, and he directed me to put in there "except Little, Pantlind, Thomas, and Hubbard, which had been mislaid or lost." I supposed he intended by that that he had lost it and wanted a certificate to show for it.

Q. How much was received on stubless accounts between the 13th and 26th of June inclusive?

A. I have had no chance to examine the ledgers except this forenoon, and I did not think anything about them when I was here this morning.

Q. Is it not true at the time the settlement was made to the Regents in December, '75, nothing had been said and no question raised as to the mode of settling for and paying over the stubless accounts?

A. I don't think there had been anything said about stubless accounts at the time.

Q. Have you read the report of Regents Gilbert, Walker, and McGowan? Did you suppose you were responsible for those accounts?

A. No, sir. I stated to them that I was not responsible or would be bound by anything which they might say or do. I think I gave some of these statements there. It was the former committee I think I made that statement to.

Q. Would a student be apt, in settling his account with you, to allow you not to give him credit for money for which he held your receipt as shown by these stub receipt books?

A. If a man held a receipt he would be very likely to present it and have credit for it, I suppose; most assuredly he would.

Q. Did you not request your attorney to permit you to contradict the Gilbert-Walker report when it was under discussion in the evening, and did he not insist upon your keeping silent?

A. Yes, sir; he held me down with main force.

Q. Had you anything to do with the Gilbert-Walker-committee report?

A. No, sir.

Q. Were you under any obligation to disclose to Gilbert and Walker any defense that you might have?

A. No, sir.

Q. Did not your counsel insist that you should not give any of the Regents, or Dr. Douglas, or Dr. Angell any information, after they had taken the course they had in procuring the deed of your property?

A. Yes, sir: he told me to keep entirely away from them,—to have nothing to do with them.

Q. The only reason why O. C. Johnson's account is called a delinquent account is because Mr. Douglas has not accounted for the ticket turned over by you to the Regents,—is it not?

A. That is the fact. It is what is denominated a "missing ticket." The ticket was filled out and the stub red lined, but the stub is not here.

Q. Could you have told whether O. C. Johnson's account was a delinquent account without examining Dr. Douglas' annual statement?

A. No, sir; it might be credited in his annual statement and yet the ticket not be there.

Q. You say one wrapper enumerated one ticket that the package does not now contain. What package and ticket is that?

A. Package number one has one ticket enumerated on it which is not in the package. Has the amount of one ticket, \$34.35, which is not in the package.

Q. Did you ever talk with Bennett about that "missing ticket?" and if so, what did he say about it?

A. I talked with Mr. Bennett about it when I copied this package of tickets. Mr. Bennett handled the tickets at the time and called them over,—the amounts and also the names; and at that time this ticket was not there and I asked him something in regard to it, and he said it had never been there to his knowledge. It was not there when the tickets were handed in; that was his recollection.

Q. How could Earl's account be a delinquent if Dr. Douglas had properly returned it to the Regents as his counsel suggests?

A. If it had been returned it would not be a delinquent account. If the ticket is here with the vouchers and accounted for in his annual statement, it would not be a delinquent account.

Q. While it is true that packages 1, 4, 3, and 11 were all surrendered between the 12th and 26th of June, is it not also true that a part was surrendered at different dates? If so, what dates?

A. Package number 11 was surrendered the 26th of June, package number 1 the 19th of June, and 3 and 4 were surrendered on the 13th of June.

Q. When the Oakes' check or draft was turned over, was that turned over to Douglas as so much cash, or how?

A. When I turned him over that check it was turned over; and the account of Oakes and two or three items of apparatus, amounting to \$26.10, were turned over as so much cash. Instead of paying it in currency I paid him over that check or draft, whatever it is.

Q. Is that in evidence?

A. Yes, sir. It has been referred to several times. It is in Dr. Douglas' voucher for '69-70, I think.

By Mr. McArthur:

Q. How, if the name of Grimwood was written in that book at the same time and place as the others, do you account for the difference in the ink?

A. It was written the same day, but not the same time. It came in at a different hour. The others were written with a quill pen and Grimwood was written with a steel pen,—on the same day, not the same time.

Q. The same inkstand?

A. Yes, sir.

By Mr. Newcomb:

Q. You say that draft was just \$25?

A. Yes, sir.

Q. You say the account was \$26?

A. \$26.05.

Q. How did you pay the balance?

A. The balance I presume was paid in currency.

Q. Have you any recollection?

A. I have no recollection except by referring to my memorandum book, which has the items of the Oakes account.

By Mr. Hinchman:

Q. In making settlements did you at any time hold back tickets which had not been included in the settlement?

A. No, sir.

Q. Can you give the amounts you received each year for chemical analysis from outside parties?

A. Not the entire amount. There are small items of which I made no account.

LOUIS W. BRIGGS SWORN.—FEB. 12.

By Mr. Taylor:

Q. Where do you reside?

A. Dexter, Michigan.

Q. What is your business?

A. I have followed the mercantile business all my life. I am not at present in any business excepting occasionally.

Q. You are a practical accountant?

A. I am not a professional accountant. I have kept books all my life. I have been called in in a good many cases.

Q. Have you ever looked over the records of the laboratory?

A. I have made a careful examination of them.

Q. These books that have been introduced here?

A. Yes, sir; all of them.

Q. Did you take copies of those books?

A. I did not take copies myself. I think Mr. George and I abstracted three years. Previous to that Dr. Rose had been over, and we checked through,—Mr. George and myself.

Q. When did you commence work upon those books.

A. I think it was some time in last May,—the fore part of May, 1876.

Q. Have you found any delinquency in the account?

A. Yes, sir.

Q. How much?

A. \$5,695.98.

Q. You say you have examined the books of record, reports, vouchers, etc., pertaining to the laboratory?

A. I have.

Q. What was your method adopted?

A. We took the ledgers and abstracted them for all the years, arranged them in alphabetical form, giving in the first place the ledger page, next the name of the man, next the total amount of his account, next the amount paid, next the

date of the deposit, next the number of the deposit, next the date of the sub-payment, next the amount returned to the student, if there was any, next we show whether it has got a red line or not, next whether it is a forfeit account. Here is a column which shows whether the ticket is with the steward; this column whether it is a missing ticket; this column whether it is in the hands of the student; this whether it is a stubless account; then follow remarks; so that we append to the name every account, everything that we found in existence on record in the records of the University. Everything we could find was taken in order, and attached to the name of every account. We kept these with a system of balances, so that we would not lose sight of a single dollar in the transaction, keeping our account of errors from one cent to any amount we found.

Q. Will you swear to its entire correctness?

A. It is pretty hard to swear to the amount of figures represented by these 10 or 11 years' work; but I can swear there is no figure set down with my knowledge wrong or out of its proper place.

Q. Was the work checked over?

A. It has been all checked over,—the abstract of three years by Mr. George and myself. I have been through the ledgers, vouchers, stub-books, and everything else, and it is intended to be put in every man's account—everything that is on record.

Q. Is there any defalcation or deficit as between the laboratory receipts and the money accounted for to the University?

A. Yes, sir.

Q. Do you find any delinquency in '64-5?

A. I do.

Q. How much is that deficit?

A. \$25.

Q. Do you find any defalcation or deficit in '65-6?

A. I do, sir.

Q. How much was the amount?

A. \$101.20.

By Mr. Phelps:

Q. Have you examined Mr. Tregaskis' report?

A. I have, to some extent.

Q. Does it differ materially from yours?

A. I make the delinquency \$5,695.98. I don't remember what his is. I don't suppose it differs widely from mine.

Mr. Phelps—I would ask Mr. Tregaskis how his account stands?

Mr. Tregaskis—\$5,536.13, a difference of \$159.79.

Q. Do you find any portion of this to have occurred,—of this deficit you name in '65-6, to have occurred during Lewis' time and before Rose entered the laboratory?

A. I do.

Q. How much?

A. \$59.40.

Q. Show it.

A. I show first that all the deposits on these accounts were received before Mr. Rose entered the laboratory. I would further show that every sub-payment on these accounts was received before Rose entered the laboratory, and that

Dr. Douglas' annual report does not report that sum. That is the way I show it.

Q. In your examination of the annual reports of Dr. Douglas do or do you not find this upon the report?

A. The \$59.40 I do not find.

Q. What year?

A. 1865-6.

Q. Do you find in any of Dr. Douglas' annual reports anything to cover the deficit, either in this year '65-6 or in '64-5?

A. I do not.

Q. At the time of the alleged discovery of this defalcation, how much deposit money or stub money do you find unreported in the hands of Dr. Douglas?

A. Something over \$1,900,—about \$1,927 I think it is.

Q. Of what did this consist? Of what was it made up?

A. It was made up of the deposits on missing tickets and unreported forfeited accounts.

Q. How do you find the forfeited accounts reported?

A. I find by examining the annual report of Dr. Douglas that he reported forfeit accounts for the past five years, namely, '64-5, '65-6, '66-7, '67-8, and '68-9, all at the end of the year in which they occurred in each year; then for six years there was not a dollar reported until after this difficulty was discovered, when some time in January this report was handed in. The only way I could find when this report was handed, I inquired of Mr. Tregaskis and Climie, who were at that time with the papers before them. They told me it was handed to them some time in January. In this report he includes the forfeits, '72-3, '73-4, and also this quarter reported in '74-5, amounting to between \$400 and \$500; and in some instances, in giving these in so hurriedly, he reports tickets which are in the hands of the steward. Some of them have been there for years. That is the manner in which I find forfeited accounts reported.

Q. What do you mean by the tickets or certificates?

A. He reports accounts as forfeited accounts when the tickets are with the steward, and have been in some cases for years.

Q. Can you name one?

A. Welsh, Shaw, Sherwood, Sanford.

Q. Is that report of '74-5 the one which was being made out at the time of the said discovery?

A. I suppose it to be the one, sir.

Q. It is about the same date?

A. Yes, sir.

Q. What is the date of the report?

A. June 31, '75.

Q. How do you account for that?

A. The way I account for it is this: I think Dr. Douglas must have taken the 18th of October, 1875, and transferred it to the month of June. That would make the date of the discovery from the date of this correct, and also account for June having 31 days in that year.

Q. What is the result of your examination in regard to this deposit money, about its being subject to call?

A. From my examination of the books and the moneys taken into the laboratory I think it is utterly without any foundation. I find that Mr. Rose, in my examination, has never made a settlement with Dr. Douglas without paying

money to him. Dr. Rose first pays the money back to the student, and if in any settlement between Dr. Douglas and him he has paid money to Dr. Douglas, any money previously in Dr. Douglas' hands could not be subject to call. I do not suppose that ever a dollar has been subject to call during Dr. Douglas' 11 years, or would be if it ran as many more years to come. It is utterly without any reason in fact.

Q. What is the result of your examination as to the forfeited money being subject to call?

A. The student usually goes away owing the laboratory, sometimes more sometimes less. Occasionally the laboratory owes him, but usually a small amount which is not worth going after. That money is also returned to the student by Dr. Rose, and is not subject to call any more than the other is.

Q. About how much of canceled tickets were redeemed from year to year, during one year?

A. The average for several years is \$230, the highest amount being about \$325.

Q. What do you say about March 18 being on stub 196 of 1874?

A. I examined these books and these marks, taking the list of ours as they were upon our work, and compared them through. When I examined this book there was March 18 upon that stub.

Q. What is there now?

A. March 30.

Q. Whose handwriting is it?

A. I should say it was Dr. Douglas'.

Q. Do you see any indication of any alteration there?

A. I do not know that there are any indications of it, but I know it was there when I examined the work. I examined it at the direct request of the parties.

By Mr. Hinchman:

Q. Could you not have made a mistake in reading it?

A. It is possible that any man could make a mistake; but I took the dates of settlements in all our important settlements, and checked it through the book to see that it was verified.

Q. What do you say with regard to the forged *D's*?

A. I would state, in last June there was something said about false *D's*, and we made an examination of the books. I wish to say something as to where these *D's* could occur in the book. I understand that when Dr. Douglas commences here he sometimes makes a mark, or cross, or something on the stub where he commences to indicate. So I have heard from both parties. I have heard Dr. Douglas say so. He then proceeds and puts his *D* on as far as they go at that time. His *D* should be upon every one of these unless it bears a black mark. Then, after doing that, they count the money and it is paid over in the settlement. When he commences to make his next settlement he does the same thing. The point I wish to make is this: that all the forged *D's* must occur between the two settlements. There is no other place where they could occur. They must occur between the two settlements, and immediately preceding one of those marks or indications, if there is any. There is only one place where the forged *D's* can occur; it is between the two settlements. After Dr. Douglas has made his mark here, and put his *D's* on as far as this place, and then commences again to settle, he looks here and finds his *D*, he makes his mark and goes on to the next; then all the forged *D's* must occur immedi-

ately preceding one of those marks, and cannot be scattered around in the book promiscuously. They cannot go through the book like that.

Q. What evidence have you that this was Dr. Douglas' method of settlement?

A. I take it from the testimony of both parties, as I understood. I understand them both to have said so. The testimony is before you.

Q. Those are simply crosses?

A. They are sometimes crosses, sometimes *D's*; sometimes Dr. Douglas signed his name in a different manner, either "Douglas" or "S. H. D." In my investigation I found that to be the case; therefore, I say there is only those two places where a forged *D* could occur between the two settlements, immediately preceding the crosses or marks that show a settlement, or upon one having a black line. I examined those that were called in question last June,—those for the three years, '72-3, '73-4, '74-5, and there was none that could possibly have been forged. If you will give me the stub-books numbers 3 and 2,—I did not have an opportunity of examining all. That is where a large number of these *D's* come in together. These are the books. Now, I have examined these within a day or two somewhat carefully. I understand Dr. Douglas to state that that is not his signature where it occurs here. It indicates the settlement, therefore that "Douglas" could not have been forged by Mr. Rose. They must either precede the settlement, or follow. There is the S. H. D. that is between them. The forged *D's* cannot come in, as they are claimed to be, through the settlement; they must immediately precede a settlement. I say this word "Douglas" I should suppose must have indicated the place where the settlement left off. Those *D's* do not seem, a good many of them, to bear the ordinary handwriting of either Dr. Douglas or Rose. They seem by their appearance to me to invite suspicion, or challenge scrutiny or investigation of some kind. I see them running through this book. Dr. Douglas has told us that these *D's* he thinks are not his. I find about the same class of *D's* running through the settlement, and I find one signed "S. H. D." I do not think it possible for Dr. Rose,—I do not think it would be in the nature of things for him to present a new book to Dr. Douglas like this and he not inquire what had become of the balance of the old book. A man doing business with him in the same office would naturally inquire what had become of the book.

Q. Have you any figures to show that those *D's* were included in one settlement?

A. I don't know as there is any settlement preserved as far back as this. This is one that was first commenced. We have evidence of the others, but this is the second, and that the third one used in the laboratory. I find, in tracing that up, a settlement there marked "S. H. D." in Dr. Douglas' handwriting.

Q. What evidence is there that that is a settlement?

A. I have only this evidence: that that is not done in any different manner. I find in going through the book marking off these settlements, the same course had been established. Sometimes the "S. H. D." had been put on, but mostly the crosses. I have the evidence of Dr. Douglas, who states substantially the same thing, that sometimes he makes a cross and sometimes some other mark, in a place where he begins to settle with Dr. Rose.

Q. How do you know that has any reference to a settlement?

A. I know it from the testimony of Dr. Douglas and Dr. Rose. You will find it in the testimony. It has been so explained to me by Dr. Rose before,

and I have heard him on the stand; therefore I think it is impossible to forge these *D*'s in the manner they say they must have been done. They must be together, they must be in one place, and they must immediately precede a settlement. They cannot be mixed through a book like that. When Dr. Douglas begins to put his *D* on he puts it on clear through until he stops, unless the stub has a black line upon it.

Q. What do you say with regard to the red lines being forged?

A. I made a comparison with the red lines. I had heard these called in question last June. I have made an examination of all the tickets of '72-3, '73-4, and '74-5, and I find but one which has any indication. I will state that the committee examined them in this manner. They will show a red line upon a stub like that. If the line did not compare with its neighbor in color they thought there was something wrong. Now these stubs are issued in regular sequence, one, two, three, and four. When they are returned, one student will have one, another 100, another 40, and so on. When they are returned, they go through the book and are lined as they come, one here and one there, so that those two lines may not have been made the same day, nor the same month, nor even the same year. I find where accounts have been red-lined after years; therefore a comparison with each other is no way to test it. They must be compared with the tickets returned at that settlement, not with the tickets as they come in regular order, where sometimes the lines may be made years afterwards. There is only one instance where there is the slightest difference, and if you will give me the stub-book of '72-3 I will show you that one. Here is the stub; I think that is the one. You will see that one is of a little lighter color. That is the only one I find any question about in regard to the color. That seems to be lighter than the one marked the same date. Here is another, I see, which does not compare with the others, perhaps,—number 94. That ticket is returned, and is in the hands of the steward. It does not compare with the other marks, showing the instability of the red lines. Of course nobody would question a ticket being red-lined when it is in possession of this committee, showing it has been properly turned over and had a right to be red-lined.

Q. What do you say in regard to the manner in which the books were kept during Rose's time and before?

A. I should say before Mr. Rose's time the books were not well kept. When Rose came there I find a marked difference. I find his books much above the ordinary. I don't think there is much fault to be found with Dr. Rose's book-keeping. I find the accounts properly kept, and under the circumstances they were kept better than ordinary book-keepers [keep their books?].

Q. How were the books kept by Lewis?

A. Some entries were not put in as they should be, but he was a very superior book-keeper to Hough.

Q. Have you examined Dr. Douglas' annual reports to see whether he credited the University with all the receipts on laboratory accounts?

A. I have.

Q. Do you find that he has so credited?

A. I do not.

Q. Whereabouts? Show it to the committee.

A. I find there were 16 warrants for \$137.50, and one for \$12.50, for which I have looked the records of the University through, and find no credit given for them on laboratory accounts. They were drawn for laboratory purposes,

and I have looked the records through and through, but do not find where there is a dollar of that money that has been credited. I speak now up to June, '75, when I had access to the books.

Q. What do you say about Dr. Douglas having ever been alone with any of the books, ledgers, vouchers, etc.?

A. I have seen Dr. Douglas alone with the books, go into the President's room and stay there an hour or two,—sometimes a half a day at a time.

Q. Where were you?

A. I was in the next room. He would close the door between us,—not shut it tight but close it, so that I could not see; he would be there an hour or half a day. We were not there very early in the morning, but from the time we would get around in the morning he would stay till dinner time, I have seen him do that.

By Mr. Mills:

Q. How do you know that the books were in his custody or in the other room?

A. I saw him take them in there from the vault in his hands.

Q. Did you see him go into the vault and get the books?

A. I have seen him go into the vault and stay there 15 minutes at a time alone.

Q. Did you ever see Dr. Douglas go into that vault after permission was denied to Dr. Rose, or after the order was issued against any one having access to the books?

A. I was not there, I think. I could not get any books or papers, and I did not see him go in after that time.

Q. What were these warrants?

A. \$137.50; 16 of them delivered to Dr. Douglas for the laboratory assistants. It is so stated on the face, with one exception, that they were so delivered; that exception I think was drawn by Bennett's son. I think Bennett told me it was delivered to Dr. Douglas, I would not say positively. He said it was drawn by his son, and I think he said it was delivered to Dr. Douglas.

Q. For the same purpose?

A. The same amount and the same purpose.

Q. Were you ever refused access to any ledger, stub-books, vouchers, etc.?

A. I have been, several times.

Q. When?

A. It was some time perhaps in last June. It was the time that investigating committee sat there. I was refused by Grant several times and members of the committee, and afterwards I was refused by Bennett.

Q. Did Grant say anything about giving you permission after the Board met?

A. Grant promised me from day to day that I should have access,—set a day in which I might take the books and look them over. Finally, upon one day fixed upon, I went there and he came out and said the committee had decided not to allow any of us to see the books. I asked him what kind of a man he was,—if he was a man of his word. He says, "I tell you, when the Regents meet you shall have every opportunity to examine those books, if I sit upon that Board until I am grey-headed."

Q. What was said at that meeting of the Board of Regents?

A. At that meeting of the Board of Regents Mr. Rose came before the Board, and they refused to have anything to do with him whatever; therefore we had no opportunity at that time to see the books, nor since that time.

Q. In examining the annual reports of Dr. Douglas did you find them business-like and such reports as should have been made?

A. I did not so find them. I found them with pencil entries, pencil footings, and in a great many instances I found them scratched, and re-footed, and sometimes pasted over. In some instances the paper on the report has been footed so that it had to have paper pasted over it, and that paper had been worn out and torn off and another piece pasted over that. I speak of the report of '74-5. I find the entries in them sometimes in aggregate, sometimes in detail.

Q. Do you find from such examination that they could have been properly examined by the finance committee or any one else?

A. I should hardly think they could. I see they are incorrectly footed, some of them are not balances, and on some of them the balances are not correctly brought forward; and that they could have been properly audited I hardly think.

By Mr. Hinchman:

Q. What amount do you find charged over as payments made assistants?

A. In what year?

Q. When you commenced with the 16 warrants.

A. None of it is found in some of the years. There are some items credited up to Dr. Douglas as having been paid assistants; but these warrants not being credited at all, it would only offset against the laboratory receipts. For instance, he credited the University with all the receipts he gets and charges it with all his disbursements. He charges the University with having paid so much to assistants and does not credit his warrants. I will say further that during four of these years the warrants are credited; four they are not.

By Mr. McArthur:

Q. Have you any evidence that he did not pay those warrants directly to assistants?

A. I find this evidence: that I cannot find the assistants in the laboratory to whom he could have paid it. I have searched the records through to find some place where he paid the money,—some place where he gave credit for the money. I have yet to find the first dollar that was entered anywhere. I don't think it appears in his annual reports. I have examined them very carefully, and I suppose that should be the place for such account to appear. He has at least reported a part.

By Mr. Hinchman:

Q. In those four years that were credited do you find the amounts charged?

A. In the accounts in which he has credited it I find the assistants charged also. For instance, in '67 in this schedule the warrants come according to the college year, so that he would have received two in the first of the college year '66-7. I find he received two of \$137.50 and \$12.50, and he charges assistants with \$243.56. He did not credit the laboratory with the warrants. In the year '67-8 I find that he charged for assistants in the laboratory \$370. The warrants amounting to \$530 were not credited for that year. The assistants in the laboratory charged there is an offset against laboratory receipts. It has nothing to do with the warrants not represented by a credit on the report. I find in the year '68-9 he reports \$600 as paid to assistants upon the report. The \$550 is not credited the University. I further find in 69-70 he credits the University with the warrants \$550, and charges assistants \$396. In 70-1 I find also that he credits \$550 of these warrants, and charges \$286 for assistants. In 71-2

I find by his report \$550 of warrants are credits, and \$350 charged as against assistant account. In '72-3 \$550 are credited, and \$356.50 charged against the assistant account. I have not had time to make this out fully. In '73-4 the warrants are not credited, nor in '74-5. I will look up the reports, as they show how much he has paid for those years.

Q. Have you any explanation of that \$104.25 other than that given by Dr. Douglas?

A. I find that \$104.25 was made up, as Dr. Rose explained it before. There is a schedule made of that, and we shall put it in evidence. It contains \$60 of forfeit accounts in the year in which it was reported, '67-8 or '68-9, and also some other matters which make up just \$104.25. As I stated before, Dr. Douglas reported the forfeit accounts for the first five years, in the year in which they occur, that is one of them. This is in '67-8, I think, or in '68-9. Then there are no forfeit accounts reported until after this trouble commenced. Here is a memorandum of what it is. I will classify it: forfeit accounts, \$60; stubless accounts, \$30; apparatus, \$14.25; making \$104.25.

By Mr. Kelley:

Q. Have you examined the accounts of the laboratory department of the University?

A. I have.

Q. Can you state the amount of money paid for assistants in that department in the college year of '67-8?

A. \$370, reported by Dr. Douglas.

Q. Paid to assistants?

A. Yes, sir.

Q. Can you state what amounts of warrants were drawn from the general fund for the same year?

A. \$550.

Q. Do any warrants for that year appear on the annual report of Dr. Douglas?

A. They do not.

Q. Can you state the amount paid for services in the laboratory department for the college year '68-9?

A. \$600.

Q. Can you give the names of the assistants in that department for that year?

A. Weeks, Jewett, and Rose.

Q. What amount of warrants were drawn from the payment of assistants during the same year?

A. \$550.

Q. Do you find any of those warrants credited upon the annual reports of Dr. Douglas?

A. I do not.

Q. In the year '69-70 what sum was paid for assistants in the laboratory department?

A. \$396.

Q. How many assistants were employed that year?

A. Meyendorf, Douglas, Jewett, and Case,—in the report.

Q. What amount was drawn upon warrants for the payments of such assistants for the same year?

A. \$550. This \$550 was reported.

Q. How?

A. Upon the annual report.

Q. On which side?

A. He gave the University credit for \$550 in the year '69-70.

Q. In the year '70-1 what amount?

A. \$286 reported.

Q. How many assistants, and what were their names?

A. Douglas, Howell, and Rex.

Q. What amount was drawn on warrants for the payments of assistants the same year?

A. \$550.

Q. Is that report in his annual report—any of it?

A. The whole of it.

Q. Credited the University with it?

A. He did.

Q. In '71-2 how many assistants and what were their names?

A. Rex, Jones, and Johnson. Reported \$350.

Q. What amount was drawn for warrants the same year?

A. \$533.

Q. How much of it reported?

A. The whole amount credited.

Q. In '72-3 what amount was paid to assistants?

A. \$356.66.

Q. To whom?

A. Powell, Johnson, Douglas, and Hubbard.

Q. What amount was drawn upon warrants the same year?

A. \$550.

Q. How much of it was reported?

A. The whole of it.

Q. Credited to the University?

A. Yes, sir.

Q. '73-4?

A. In '73-4, I have not got the statement yet. Two years are not made out complete. There were \$550 of warrants drawn that year that were not reported.

Q. Any part of it reported?

A. No, sir.

Q. In '74-5 any warrants for payment of assistants?

A. Yes, sir; two for '74-5.

Q. Was that reported?

A. They were not. I would say, previously, in the year '66-7, there were three warrants drawn,—one of \$12.50 and two of \$137.50 each.

Q. Reported that year?

A. They are not. The whole amount is \$287.50. I find \$243.60 charged to assistants in his report.

THOMAS. D. GILBERT SWORN.—FEB. 12.

By Mr. Taylor :

Q. Where do you reside?

A. Grand Rapids.

Q. Have you been a member of the Board of Regents?

A. 12 years.

Q. When did your duties commence as member of the Board of Regents?

A. The 1st of January, 1864, and terminated the 1st of January, 1876.

Q. When you were a member of the Board of Regents what committee did you serve upon?

A. I was chairman of the finance committee during all the time, and chairman of the building committee after such a committee was organized, when any money was given us from the State to expend for building. I was also on the committee for medical department, and I think part of the time on museum.

Q. What were your duties as chairman of the finance committee?

A. The usual duties appertaining to such a committee. Our committee had charge of the finances of the University.

Q. Was auditing accounts part of your duties?

A. Not strictly, perhaps if I should explain the mode of doing business there—

Q. Give the explanation as short as possible?

A. The Regents in session made appropriations from time to time out of the funds of the University for various uses. Those appropriations were expended by the committees having the business in charge that the appropriations were designed for; and the statements of expenditures, the vouchers, etc., were submitted to the finance committee for examination and comparison, to see whether they had been expended for the business for which the appropriations were made.

Q. Were the annual reports of the different departments submitted for your inspection?

A. Not for my inspection. They were submitted to the Board of Regents as a board.

Q. Were they not generally referred to your committee?

A. Nothing except what pertains to expenditures for the University. A great many reports were made from the different departments that did not particularly pertain to the duties of the finance committee; the professors would make, of course, [reports] from their departments, each one, and the president would make his annual report, which covered other subjects than that of finances.

Q. During your time of office did you hear of any irregularity or defalcation in the laboratory of the university?

A. Not until about a month previous to the expiration of my term of service.

Q. How was this first brought to your notice?

A. If you will allow me to state the circumstances, perhaps I can do it without the necessity of your questions?

Q. Yes, sir.

A. I think I first saw a notice of it in the Chicago papers, which was immediately copied into the Detroit papers. Very soon after,—it was near the time,—it might be called the same time,—I received a letter from Dr. Angell informing me of a very unpleasant discovery in the laboratory finances, asking me to come out to Ann Arbor. I went there and found Regent Walker there, and the matter was explained to me as the discovery of a defalcation there, amounting to several thousand dollars, which had been running through several years of laboratory accounts, and we immediately proceeded to an investigation of it. The President and Secretary of the Board and the Executive Committee and Dr. Douglas, assisted by Dr. Rose up to a certain point, as I was informed by them, had gone through several years of the alleged defalcation.

Q. At the request of Dr. Angell you went to Ann Arbor, did you?

A. Yes, sir.

Q. Have you the letter of Dr. Angell in your possession? Did you bring it with you?

A. No, sir; I don't know that I preserved it. It was merely a short notice, without any comment upon it, requesting my immediate presence.

Q. After you arrived at Ann Arbor what did you do?

A. That was what I was about stating. These gentlemen that I have named had prepared a tabular statement of the defalcations for the different years, as they had been able to discover them.

Q. Who were these gentlemen appointed by?

A. I don't know, sir. I presume Dr. Angell summoned the executive committee, Regent Walker, and I forget who the other member was. That was the committee that a good deal of the business was usually left to, and they were the nearest to Ann Arbor and were the first summoned. They had prepared a tabular statement of the defalcations for the several years, as far as they had been able to investigate them, and had everything in such complete form for examination that it was not very difficult to follow it right through from beginning to end.

Q. Who met with you at this time to investigate their work?

A. Regent Walker, I think, was the only Regent besides myself. I was summoned, I suppose, because of my being chairman of the finance committee.

Q. How long a time did you spend looking over the books?

A. I was going to say that the time that I spent there was devoted to such an examination of these tabulated statements and the books and vouchers as would enable me to act intelligently upon the subject, and I think I was engaged about three days in the matter. It took comparatively but little time to what the previous investigation had, because, as I said before, the whole matter had been so systematized that it was comparatively easy to follow it through.

Q. Did you make a report of the investigation by Regent Walker and yourself?

A. Yes, sir, I did; and I beg leave to refer the committee more particularly to that report. At that time everything was fresh in my mind, and it was a report that I had the satisfaction of knowing at that time, before any personal animosities had been engendered, gave very general satisfaction as a plain statement of the facts in regard to the matter.

Q. I see you refer in this report several times to a committee who drafted these tabulated statements. Who composed that committee?

A. I speak of them as a "committee" because they acted as such. It was the executive committee, Regent Walker, and I forget the other, and Dr. Douglas, and Mr. Bennett and Mr. Knight, the treasurer of the University. I think all had something to do with it.

Q. I should judge from this report of yours that those were a committee composed of Dr. Angell, Treasurer Knight, Secretary Bennett, and Dr. Douglas. I think you have referred to them as a committee in one or two different places.

A. The names are mentioned, are they?

Q. Yes.

A. Regent Walker, I know, had something to do with it,—at least he was there before I was.

Q. You took the report of this committee, or of these men who were appointed to investigate this matter, and looked it over carefully, and then introduced this report which you have signed?

A. Yes, sir.

Q. Did you find any part of this defalcation in the hands of Dr. Douglas by your investigation?

A. It is a long time since I have read that report; but I think it says that there was somewhere from \$1,000 to \$1,200, that there was no means of knowing whose hands it was in; the vouchers for which were claimed on one side to have been forged and on the other to be all correct. I forget whether the exact amount is stated.

Q. Were you satisfied, from the investigation you made, that your report was substantially correct?

A. I should not have made it, sir, had it not been. I have seen nothing since to change my views on the subject. The University employed two expert accountants during the winter, to look the matter over, and the subsequent board investigated it thoroughly; and from what I have seen from papers in regard to it I have not seen any very material change in the report I made at that time. It has been a little more exact. I think the defalcation has been increased somewhat, but so far as I have been able to learn from the papers in regard to it everything stands substantially as that committee then reported it.

Q. Did you always examine and audit the annual reports of Dr. Douglas?

A. Dr. Douglas always made to the finance committee his annual report of receipts and expenditures of the laboratory, and with the exception of one or two years, possibly three, when it was impossible for me to give it attention,—I left it for the treasurer, Mr. Knight, or Mr. Bennett, the secretary, at the June meeting, to examine the vouchers, and to give me at the September meeting, when the annual report was always made, the results of their investigation.

Q. When you audited it or examined his reports, did you ever make any indorsement upon them to show the fact that you had examined them?

A. Nothing except to the report of the Board of Regents. I annually reported to them the condition of affairs.

Q. Did you examine and pass the annual report of Dr. Douglas for '68-9?

A. It is so far back I could not tell positively, but I think that is not a year that I intrusted it to other parties, I think that was later than that; I think in those earlier years I gave it my personal attention.

Q. Look at the report for '68 and see if you remember?

A. I see nothing on this that indicates a personal examination of it; but I recognize it as one of the usual forms in which those matters were presented for my examination.

Q. Did you audit that report and examine it?

A. I can only say that I presume I did; of course I have no distinct recollection of this particular report.

Q. Did you recommend the payment of the charges contained in that report, namely, five per cent commission on \$5,762.68, and five per cent on \$4,000, amounting to \$200?

A. What does it purport to be for?

Q. It does not purport to be anything,—simply a blank.

A. I don't remember that particular item, sir; I can state in general terms. There is the other items in the report of '68-9. I should presume those were the items in connection with the buildings that were erected there. In one instance there was an addition made to the medical department building that cost some \$20,000 or \$23,000, and then there was an expenditure of \$7,000 or \$8,000 for an enlargement of the laboratory, and perhaps some other items of

building that were left in charge of Dr. Douglas, on which he was paid five per cent commission on my recommendation. It was necessary for us to employ somebody, and it was generally done in the summer season during the vacation.

Q. Was not such an allowance by you in direct conflict with by-laws, chapter 4, sections 2, 3?

A. On the face of it, sir, that might appear to be so. The building committee were usually authorized by the Board to take such measures as they deemed necessary for the construction of these buildings and the expenditure of this money; and they took this course. They did not look upon it in the nature of incurring a debt or obligation, but as part of the legitimate expenditure in the construction of these buildings.

Q. Did you also audit and pass in the same annual statement a charge against the University and in favor of Dr. Douglas, for P. B. Rose, of \$100?

A. I have no recollection of it, the accounts I presume will show.

Q. Did you audit and allow every charge in this annual report?

A. I can only say that I presume the board did so on my recommendation. I cannot recollect the items, of course, after this lapse of time. These papers are like those which are usually submitted by Dr. Douglas to the consideration of the board.

Q. Look at the item.

A. I have no more recollection of that item than I have of the 200 or 300 that may be on this report.

Q. If you audited that, did you have any voucher upon which you could allow such a charge?

A. I can only say that I presume we had. We were in the habit of looking into those things.

Q. Did you always require a voucher for every charge?

A. I say that was certainly the intention of the committee and myself,—not to disburse University money, unless we had good evidence that the expenditure had been made.

Q. Did you ever call Dr. Rose before you to know whether it had been paid to him or not?

A. I never had any personal acquaintance with Dr. Rose at all; I hardly knew him by sight up to the time that the difficulty occurred.

Q. Do you ever remember of auditing an account where there were no vouchers?

A. I do not, sir.

Q. Did Dr. Douglas before he began his work make any bargain with you to receive five per cent commission on fixtures put into the laboratory?

A. I have no recollection of it, sir.

Q. If he did, will you show any authority invested in you by the Board, or any law or by-law, authorizing you to make such a bargain?

A. If such a thing is done, I can only put it on the general basis of our making these expenditures as we considered for the use of the University.

Q. Did you have any bargain with Dr. Douglas by which you agreed to allow him eight per cent for putting in steam heating apparatus into the laboratory?

A. My attention has been called to that before by somebody, and I have no recollection of it. At the same time I can see good reason why such a charge might have been made out very justly.

Q. Under what authority?

A. Under the general authority given the building committee to supervise these expenditures.

Q. Do you know Samuel F. Cook?

A. I cannot recall him now.

Q. Do you remember when he was employed to assist the Steward during the year '69-70?

A. I do not know, sir. I do not recollect the man.

Q. Did you not receive a letter from Dr. Angell some days before you saw the publication in the Chicago papers?

A. I think it was immediately after; that is my recollection of it; still I may be mistaken about it, but I think I saw it in the Chicago papers first.

Q. In making that report, will you tell the committee what books, papers, vouchers, etc., you had to make your account on?

A. The account book that was kept in the laboratory with the students.

Q. The ledger?

A. I suppose that is the term for it. It was the book on which the students' accounts with the laboratory for money paid and for chemicals obtained were kept. We had that, and we had the books of stubs, which represented the receipts given to the students for money paid on the back of the receipts, the certificates of the students of the amount of money which they had paid in.

Q. Did you examine the annual statement of Dr. Douglas in making up this report of yours?

A. No, sir. The report was made up, as I said before, up on an examination of the laboratory books and stub-books, and the tabulated statement of them which had been prepared by those gentlemen that had been examining into the details of it.

Q. Is it not true that this report of yours contains over \$1,300 in errors?

A. Well, sir, I never had my attention called to it if it is so. I do not know that it is true; neither has my attention ever been called to it by anybody.

Q. You say the building committee had power to contract for the payment of these commissions: will you show the committee any such authority?

A. I don't know as I can refer you to any particular book or [by-law?] having the power in terms. I know that the construction of these buildings was put into the hands of the building committee with instructions from the Board to go on with it. The large addition to the University that the State made an appropriation for was constructed under the supervision of the building committee; the large addition to the medical college, the addition to the medical laboratory, and a good deal of work of that kind was done under the supervision of the building committee, and they always reported it to the Regents, and it was accepted as having been properly done.

Q. Did you not audit the charge of \$100 paid Dr. Rose upon the simple statement of Dr. Douglas that he found Rose was going away, and in order to retain him he had to pay him \$100 more?

A. I have no recollection whatever.

Q. You have no recollection of the voucher?

A. No, sir.

Q. Do you remember examining in the presence of Mr. Cook the Steward's voucher for settlement?

A. The Steward's vouchers for settlement were always examined annually by myself, with one or two exceptions where I entrusted it to Mr. Knight, the treasurer of the University. I have no recollection of Mr. Cook being present. I now recall the fact that there was a Mr. Cook, who was more or less in the employ of the University there.

Q. Do you remember his suggesting to you the propriety of having the accounts at the laboratory kept in the same manner as those at the Steward's office, and that the reports of the director of the laboratory should be passed up, and the itemized vouchers, as was the case in the Steward's office?

A. I don't remember it, sir.

Q. Did you reply to him in substance as follows: "You had better mind your own damned business?"

A. I think not. I am not in the habit of speaking in that way, sir?

By Mr. Mills:

Q. Allow me to hear you repeat your answer. How long a time you spent over those books and papers,—over all matters pertaining to your report?

A. I think about three days, as near as I can recollect now,—days and nights.

Q. Will you please state to the committee whether you base your report upon a personal examination of the books and papers, or on the books and papers produced for your inspection by those who had preceded you in the examination?

A. I gave them sufficient examination myself to enable me to verify the results of their examination.

By Mr. Kelley:

Q. In '67-8 the records of the Board of Regents show that you audited the account of Dr. Douglas; did you ever refer to the books of the laboratory to ascertain the amount that had actually been received in that department?

A. No, sir.

Q. Had you any means of ascertaining that he accounted for the full amount received in that department?

A. I had not, sir.

Q. Was that the course pursued by you on the finance committee with the account of Dr. Douglas?

A. Dr. Douglas' account for expenditures outside of the interior workings of the laboratory were examined, and his vouchers compared with the accounts.

Q. This is one of the annual accounts, or statements, as rendered by Dr. Douglas to the university or Board of Regents,—is it not?

A. Looks like it, sir.

Q. That purports to account for all moneys received in the laboratory upon one side, and also all moneys disbursed by him on the other?

A. Yes, sir. These seem to be all students' accounts.

Q. Is there not a debit and credit side to that report?

A. Yes, sir.

Q. What means did the Board of Regents have, or the finance committee have, of ascertaining how much had actually been received in the laboratory department?

A. We took Dr. Douglas' report of moneys received there.

Q. How long were you a member of the Board of Regents?

A. Twelve years.

Q. During that time did you take any means to ascertain the amount of money received in that department except the statement of Dr. Douglas?

A. That is all, sir. I would like to be allowed to say a few words in explanation of that.

Q. In a moment. When these matters were referred to the finance committee did you ever delegate that power of examining the reports to anybody else?

A. One or two years I submitted them to the treasurer, Mr. Knight, for his examination.

Q. Can you recollect those years?

A. I cannot, but they were lately, I think; that is, towards the close of my term of service. One or two years the accounts of Dr. Douglas were examined; that is, a comparrison of the vouchers with the accounts was made by the steward or by Mr. Knight, the treasurer,—I am not certain which. I submitted it to the committee at the September meeting.

Q. Is it not a fact that for the twelve years following the year 1863, but four years of reports of Dr. Douglas were examined by any member of the Board of Regents?

A. I think not, sir.

Q. Were you in the habit of passing these accounts of Dr. Douglas without any examination?

A. No, sir.

Q. Is it not a fact that eight of these years the accounts were passed and allowed by that board without any examination by the board or members of the board?

A. No, sir.

Q. Can you find any record in '68-9 of any member of the board reporting his account as correct?

A. The annual report of the finance committee during the several years will probably make some allusion to it.

Q. Have you ever made any examination to ascertain whether that year's report was ever passed upon by the Board of Regents, or by any member?

A. My attention has never been called to it in reference to that; so that I have never made any examination.

Q. Did you have any idea about the amount of money that was being received in that department?

A. Yes, sir; we supposed we knew it from the returns that were made of receipts by Dr. Douglas.

Q. Did you ever have any reports made to you of the number of students in that department?

A. That is always shown on the vouchers which had been presented.

Q. Did not the Board consider it of sufficient importance to examine into the receipts of that department?

A. We aimed to do so every year.

Q. Can you find after the year '67 a single year that the Board took any action upon Dr. Douglas' reports, from the record of the Board of Regents?

A. Will you allow me to explain?

Q. Can you find such an account of the Board of Regents?

A. I presume it can be found in the reports.

Q. You will oblige the committee by ascertaining that and bringing it to their attention to-morrow morning. In your report you say: "In view of the fact that Dr. Rose has often stated that he held himself responsible for the amount called for by the stubs and crossed with the usual red line," etc. Did Dr. Rose ever make any such statement to you?

A. I don't know that he ever did to me.

Q. From whom did you receive such a statement?

A. From some of the gentlemen that were on that committee. I want the committee to understand that up to a certain point in that investigation,—at

least it was so reported to me,—up to the time when that publication appeared in the Chicago papers, Dr. Rose acted with the committee and with Dr. Douglas in the investigation of all these matters, and assisted them in getting at the facts of the case prior to the time of the appearance of that publication in the Chicago papers. After that I was informed he declined to have anything further to do with them.

Q. You commenced your labors to investigate this matter after that publication, did you not?

A. Yes, sir.

Q. During any of the efforts that you made to ascertain where the deficit was, did you call upon Dr. Rose for an explanation?

A. I think at the time this report was submitted to the Board of Regents at the December meeting—

Q. Do you mean your report?

A. Yes, sir. At the December meeting, the last meeting I had with the Regents, Dr. Rose was invited there, and he came and declined to have anything further to say or do about it.

Q. Was that after your report had been made up?

A. After this had been made up; but when I went there to make that investigation, I was informed by the gentlemen of the committee that Dr. Rose had absolutely refused to have anything further to do with it, hence I said nothing more about it.

Q. Did you ever give him opportunity to appear before your committee and make any explanation?

A. I have no recollection of anything being done, and it was owing to that fact. I know when I went there it was my wish that he should appear, and I suggested it, and was told that he had absolutely refused.

Q. The object of your investigation was to learn the amount of the deficit and where the money had gone?

A. That was what I was after.

Q. Didn't you consider it was necessary that he should be heard before you could determine fairly who had the money?

A. With the evidence that I had before me, I did not consider it very important; although, as I said before, it was my wish to have Dr. Rose assist us in the investigation, and so expressed it, until I was told by these gentlemen that he had refused.

Q. Did you call upon Dr. Douglas to render you any assistance in making that investigation?

A. Not particularly.

Q. Didn't he assist you?

A. He was there at the time the investigation was made.

Q. Did you express your wish to any other members of the committee with reference to having Dr. Rose before them?

A. I made the general request once. I can't remember who was there. I presume they were all there; they were all working together.

Q. Who objected to his going before the committee?

A. Nobody.

Q. Why didn't you extend the invitation?

A. Because I was informed that he had absolutely refused.

Q. Who refused you?

A. Some of these gentlemen. There were three or four present who had been engaged in the preparation of this statement.

Q. Is it not a fact that in the report of '71-2 there is a mistake in the footings of several hundred dollars?

A. I am not aware of it.

Q. If these reports had received a careful examination would you not be apt to detect such mistakes as that?

A. If I footed up the columns I would, probably.

Q. Did you ever examine the system of accounts in the University?

A. Yes, sir.

Q. What system is kept in the other departments aside from the laboratory department?

A. That is what I have been wishing to have an opportunity to say to this committee, for the reason that there is a false impression gone abroad in regard to it, and I wish for an opportunity to explain it,—for an opportunity to correct it. Now, the funds of the University consist of the interest fund, which comes from the land grant, amounting to about \$38,000 a year. That is drawn by the treasurer of the University as often as there is any amount worth drawing for. I think now the system is to draw it quarterly; has been for several years.

That is one source of revenue. Another source is the fees of students that are paid when the students matriculate. Those are paid to the steward, and are deposited by him with the Treasurer, taking his voucher therefor. There is another source of revenue: the special appropriations made by the Legislature, the one-20th mill tax,—drawn quarterly, I think, like the interest fund,—and the special appropriations that of late years have been made, [which] have been drawn as vouchers for special appropriations [have been] represented. Now, those funds all go into the hands of the treasurer, who keeps them separate,—the different accounts,—and they are expended by appropriations made by the Board of Regents. The Regents, at their quarterly meetings, make the necessary appropriations to keep the University running, except the salary account. The salaries are all fixed, and they are paid quarterly, and a regular pay-roll is made out, and the warrants are drawn by the President, authorized by the Board and secretary, and treasurer.

Well, now, that is all there is about the income and expenditures of the University proper. It is as simple as A, B, C. The steward of the University has appropriations made for his use, and the auditing of contingent expenses, embracing a vast number of trifling expenditures that, in the aggregate, amount to quite a good many thousand dollars each year. Annually the steward presents his vouchers to the finance committee for those expenditures. Those are compared. That is all that he has anything to do with,—all the money that comes into his hands, except what he passes over to the treasurer,—the money he has received for the matriculation fees of students. The treasurer presents his annual account, showing his receipts from the State Treasury and from the students, and his account for warrants drawn, and money paid on warrants drawn on appropriations made by the Board of Regents. It is an exceedingly simple and efficient way of keeping the affairs of the University; nothing complicated about it, nothing but that the merest tyro in bookkeeping could get along with; and it is simply a comparison of vouchers at the end of the year to see whether everything agrees.

Now, then, when I was elected a Regent in 1864, with the full Board at that time elected (eight members), I was appointed chairman of the finance committee. Mr. McIntyre, of Ann Arbor, who had been Regent for several years, a banker there, had been chairman of the finance committee before me for

several years. When we entered upon the discharge of our duties we found the University in a turmoil and a great deal of difficulty, growing out of the removal of Dr. Tappan and the inauguration of Dr. Haven, and our first meeting was devoted almost entirely to a settlement of that difficulty; and we were not able to settle it. It was only at the March meeting that we were able fully to get rid of that and harmonize the conflicting elements about the University in regard to that change. The July meeting was the first time that I had had any opportunity to give any attention to the mode in which the business of the University was done; but at the first meeting of the Board of Regents in January, knowing that we were all new hands, I asked it as a special favor of the Board, that Mr. McIntyre, who had been for many years chairman of the finance committee, might be elected treasurer, as I thought we all needed the benefit of his experience in University matters, especially in finances. I knew nothing about it.

Well, I found that the system which was continued during my chairmanship of that committee was then in vogue. I found that so far as the laboratory was concerned Dr. Douglas had from the very foundation of it had the management of it, and that the surplus or sources of the laboratory had been intrusted to his management for the extension and enlargement of the laboratory; and it seemed to me to be in such a prosperous condition and going on so well under his management that I did not think it best to recommend any change, neither did Mr. McIntyre, who was the treasurer of the University; and that was the reason why that was run as an independent department almost of the University. It was growing very rapidly; the demand for instruction was increasing, students were increasing and we allowed the resources of the laboratory to be used entirely for the advancement and promotion of its own interests.

Q. Prior to 1875 were there any permanent records kept in the University by which the amount of receipts from all sources and the amount of disbursements would be shown?

A. From all sources except the laboratory, and the different years' operations I suppose were properly taken care of by the steward of the University. He had charge of all the papers and documents.

Q. Do I understand you to answer that question by saying that there were permanent records kept prior to '75 from which the receipts from all sources except the laboratory could be ascertained, and also the disbursements from all the departments?

A. It can be found in the annual reports, for every year.

Q. Were there any permanent records aside from those annual reports?

A. The Steward's books.

Q. Did you ever examine the Steward's books?

A. Always compared them with the vouchers.

Q. Did you ever find a book in the Steward's office that would show the amount of money received for University purposes in any one year prior to 1875?

A. We certainly had the means—

Q. Do you recollect of ever seeing such a book there?

A. I recollect very distinctly, from year to year, comparing bundles of vouchers, as the Steward presented them to me with the books, of disbursements. The receipts of the University were all in the treasurer's office. The Steward had nothing to do with those.

Q. Is it not a fact that you compared those vouchers with the reports made

up from time to time to present to the Regents, and not with any book or record in the office?

A. It is not my recollection now.

Q. Is it not a fact that treasurer keeps the accounts of money received in his own books in the records of the University?

A. They are part and parcel; the University is entitled to them.

Q. Did the Board of Regents ever furnish him with any records to keep him out of money?

A. I don't recollect of any.

Q. Were you on the building committee at the time these commissions were allowed to Dr. Douglas?

A. I think it was,—most all the building that has been done there.

Q. Did you ascertain what architects would charge for the same work previous to building the laboratory and making other improvements?

A. I think, sir, that inquiry was made as to the usual charge for such work.

Q. Did you make any inquiries to ascertain whether eight per cent. was excessive or otherwise?

A. I said I had no recollection of that eight per cent.

Q. Do you recollect employing an architect when the principal building was put up?

A. Yes, sir.

Q. Do you know what the charge is for superintending,—what per cent?

A. I don't remember whether it was two and a half or five. There is a means of ascertaining, but there is this thing to be considered—

Q. Is it not a fact that the architect charged only two per cent?

A. My recollection is that it was either two and a half or five.

Q. What were the extra services that Dr. Douglas performed for which you paid him eight per cent?

A. I don't recollect anything of that kind except as you say in regard to the heating. There is nothing of that kind with regard to the building,—eight per cent.

Q. No; with regard to the heating apparatus?

A. That I said I did not recollect, although I could easily imagine circumstances that would make it justifiable.

Q. Why did you allow him five per cent in superintending the addition to the laboratory?

A. It was comparatively a small job compared with the main building, which cost over \$100,000, and the architect was hardly ever there. He did not give the matter very much attention. Our professor of engineering had a good deal to do with it; at my request he gave it his personal attention. Now, I supposed, at any rate that was the understanding with us, that that should be the case; and I thought that he was entitled to five per cent.

Q. Is it not a fact that Dr. Douglas was during those same years receiving large amounts for work that he was doing for himself in the laboratory, and were not the Board of Regents aware of that fact?

A. Dr. Douglas had his regular salary. I am not aware of anything else.

Q. Don't you know that he received large sums of money for work that he performed for outside parties in the laboratory department?

A. I never knew of anything, sir.

Q. Did he ever report anything of that kind to the Board of Regents?

A. I don't remember anything of that kind. Dr. Douglas at one time ana-

lyzed several specimens of water for our board of public works at Grand Rapids without any charge.

Q. How did you come to allow him interest in almost every annual statement?

A. Because we were usually indebted to him.

Q. Do not those statements show a balance in favor of the University each year?

A. I think not. It ought not to have been done if there was.

Q. Does not your report presented to the Board, which you say was passed upon, show a balance in favor of the University the same year you allow him interest?

A. That is quite possible. There may have been advances in the fore part of the year, when these funds come in.

Q. Did not the same report show a balance from the last report, the same year you allowed him interest?

A. That is quite possible.

Q. Upon what basis did you allow him interest under those circumstances?

A. On the basis of expenditure made between the time when the settlements were made and the time when the funds came into the hands of the University at the commencement of the year.

Q. Did you take the trouble to ascertain whether or not he had University money in his hands all the time during the years for which he charged interest?

A. His accounts were settled as correct in regard to them.

Q. You made no further examination?

A. No.

Q. Simply the face of his account?

A. Yes, sir; and the comparison with his vouchers, of course, which he presented from time to time.

Q. Did you ever give Dr. Douglas any authority to incur debts in behalf of the laboratory department?

A. I think not, sir. As I said before, that was left for Dr. Douglas to run.

Q. Did you ever require Dr. Douglas to keep the laboratory money separate from his own?

A. No, sir.

Q. As a business man running a business of that magnitude would you not consider it of vast importance that the accounts should be so kept that the University money should be kept separate from other money?

A. If the money was properly accounted for I would not know whether I would consider it a matter of any great consequence whether he kept it in his bank account, or whether he kept an independent and separate bank account of that fund.

Q. As a member of the Board of Regents would you not consider it a part of your duty to see that the moneys accounted for were kept so that you could ascertain how they were applied, whether there was a deficiency or any misappropriation of the money?

A. Yes, sir.

Q. Did you do that?

A. That was our intention always.

Q. Did you carry your intention into effect.

A. It was done in everything except these laboratory accounts, and in those we accepted the reports of Dr. Douglas for moneys received as correct, and his reports of expenditures were accepted as correct because they were based upon

the certificates which were annually returned to the finance committee. The students' vouchers, which were the basis of our settlement with Dr. Douglas, as I understand, were the basis of his settlement with Dr. Rose. The students' vouchers were returned to the finance committee. I did not consider it necessary for me to go back into the laboratory and examine into the details of Dr. Douglas' management of his subordinates.

Q. Did the Board of Regents ever recognize any other person as responsible for the laboratory department except Mr. Douglas?

A. No, sir; I think not.

Q. You were aware of the fact that several thousand dollars were being annually received in that department,—were they not?

A. Yes, sir.

Q. How could you ascertain whether the money was all accounted for? Supposing the vouchers which you speak of from students, in passing through his subordinates to you, were withheld, what means would you have of ascertaining whether it was all accounted for?

A. Not any, that point is alluded to in my report very pointedly.

Q. You were aware of the fact that warrants were being drawn upon the general funds for the purpose of paying assistants in that department?

A. All salaries were drawn from the general fund.

Q. Did you take any means of ascertaining whether the proper use was made of those warrants?

A. I never was aware that they went into his hands. I always supposed that the warrants belonged to salaries, went directly to the persons in whose favor they were drawn.

Q. Was your attention called to this branch of the matter when you were making your investigation?

A. Never before. I did not think it a supposable case that one man's warrants would go into another man's hands.

Q. It is not a fact that all the warrants were delivered to Dr. Douglas?

A. I never knew it to be so. I do not know why it should have been so unless the steward handed them to him to give to Dr. Rose; Dr. Rose was a salaried man like all the rest of them, and was entitled to handle his own warrants. If any other disposition was ever made of them I never knew of it.

By Mr. Taylor:

Q. Do you know whether any books were kept in the laboratory showing the amount of money that was received prior to the year '64?

A. No; I don't know any thing about the University matters previous to that time.

Q. Don't know whether there were any books in the laboratory at that time or not?

A. No.

Q. Know what became of them?

A. No, sir. I never had any occasion to enquire. My term commenced the first of January, '64.

Q. Do you know of any books and papers belonging to the laboratory that have been lost or destroyed? Ever heard of such a thing?

A. I heard a rumor two years ago that there were some of the books a good while previous,—I should think from present recollection that they could not find one of the files of papers and accounts of the University,—not particularly the laboratory, but the general University matters.

Q. Do you not know that Dr. Rose never met with Dr. Angell, Dr. Douglas, Mr. Knight, and Mr. Bennett in that time?

A. No, sir. On the contrary, I have the information from those gentlemen that he did assist them very materially during that examination of those accounts.

Q. Do you know who performed the most of that investigation?

A. I do not, sir.

Q. Do you know who were present most of the time?

A. Well, I have it from the report of some of the gentlemen that were engaged in it, that Dr. Angell, Dr. Douglas, and Mr. Bennett did the most of it. Mr. Knight was there part of the time, and Mr. Walker part of the time assisted by Rose in the early stages of it.

Q. Do you not know that Rose asked to be allowed to meet with your committee and was refused?

A. No, sir; I do not.

Q. You understood that these several gentlemen, Angell, Douglas, Knight, and Bennett, were a committee to investigate these accounts, did you?

A. Yes, sir; that is, I understood the work was done by them.

Q. As a committee?

A. Yes, sir; Regent Walker also, and another member of the executive committee that I can't now recall.

Q. McGowan?

A. McGowan.

Q. Were they appointed by the executive committee?

A. They all participated in it. It was a matter that ran through quite a length of time, and when the executive committee were not there Dr. Douglas, Mr. Bennett, and Dr. Angell, assisted [by] Dr. Rose, as I always understood it, did the most of the work.

Q. Do you know how long Mr. Walker was there investigating these accounts before you arrived?

A. No, I do not.

Q. Nor Mr. McGowan?

A. No, sir. They were summoned there before I was.

Q. Are you certain that they investigated these accounts together with yourself? Did these gentlemen have any part in the work of preparing that statement?

A. I always so understood it, sir.

Q. Who informed you that they were the committee appointed by the executive committee to investigate this?

A. Did you understand me to say that they were appointed by the executive committee? I don't remember making any such statement?

Q. That is the general tenor of your report,—that they were the committee, and you refer to this committee. You and Mr. Walker and McGowan signed this report, and in the report in not less than eight or ten places you refer to this previous committee, or some previous committee.

A. That committee was Dr. Angell, Dr. Douglas, Mr. Bennett, and Mr. Knight, as I now recollect.

Q. Who informed you that they were a committee?

A. I don't remember now.

Q. It was the general understanding that they were a committee?

A. Yes, sir. It was a matter that took a great deal of time, and the executive committee could not be there all the time.

Q. Is it not true that the architect on the main building charged only one and three-fourths per cent?

A. I don't know what the percentage would be. We did not pay him what he wanted for his work there. There were some things,—his inattention to the work, etc.—that did not satisfy us, and in the final settlement with him I do not recollect what we paid.

A. Did you authorize Dr. Douglas to charge commissions on apparatus and chemicals for the laboratory?

A. I don't remember anything of the kind; still it might be done.

Q. You say that Dr. Douglas performed services for which he charged commissions during the vacation?

A. Most of the time.

Q. Not all the time?

A. These buildings were usually put up in the vacation; of course not entirely completed.

Q. Is it not true that Dr. Douglas was East during the most of the vacation, pretending to be making purchases of chemicals, for which he was paid \$100.

A. Not to my knowledge. I know that some years during my connection with the University, Dr. Douglas has been some summers East in the summer, but whether it was any of those years that the buildings were going up I had no means of knowing.

Q. Did Dr Douglas attempt in any way to influence you in your report on the defalcation?

A. I think not. Dr. Douglas was very anxious that we should get at the truth of the matter, but to say that he ever undertook to influence us in the report cannot be truthfully said.

Q. Did the gentlemen who examined the accounts before you came to Ann Arbor make any report to any body?

A. I never saw any that I now remember.

Q. What did they do?

A. They got up this tabulated statement of the deficiencies for the various years, which involved a great deal of trouble.

Q. Is that what you mean when you speak of it in your report as referring to the work of the committee?

A. Yes, sir.

By Mr. Kelley:

Q. You speak of the pay-roll upon which the professors were paid: when was that system adopted?

A. I speak of the pay-roll,—the annual list. It is only within the last year or two that the regular pay-roll, as you would have a gang of laborers, has been made out and sent to the Auditor-General. The treasurer has vouchers for the disbursement of so much money. We had our regular list of salaried officers from which the pay-roll was made out; you can call it a "list" or "pay-roll." Now it is called a "pay-roll," because it is required to be sent here as a voucher for the expenditures.

Q. That system was adopted in 1875?

A. I think it was two years ago this winter that the legislature acted upon the matter.

Q. Before that time do you know whether the pay of assistants appeared upon the pay roll?

A. I think so. The treasurer always took these warrants.

Q. Are you sure about that?

A. I cannot conceive of any reason why an assistant professor or an assistant of any kind with a fixed salary fixed by the Board should not have had his warrant made out quarterly, just as well as the professor himself. I cannot conceive of any reason why it should not have been done, and I know they always came around at the end of the year, for I always examined the treasurer's accounts and vouchers to see if they were correct.

Q. I suppose there would be no good reason, but are you aware of the fact that it existed?

A. I was not, sir. So far as the University was concerned, the only thing I had any thing to do with was to see that the warrants which the treasurer in his account reported that he had paid, whether they were in his hands.

Q. Did you ever, in examining those warrants as you checked them over from the treasurer's account, recollect seeing any drawn in favor of Dr. Rose?

A. No, sir; I don't remember particularly.

Q. Is it not a fact that all the assistants in the laboratory department had their warrants drawn by Dr. Douglas?

A. I never was aware of it.

Q. Did you ever have your attention called to that?

A. No, sir.

MR. GILBERT RE-CALLED—FEBRUARY 13.

By Mr. Kelley :

Q. At the adjournment last evening, you were requested to ascertain if there was any record in the reports from '67-8 to '74-5 of Dr. Douglas, that had been presented to the Board of Regents or any committee of that Board, and acted upon. Have you found such record?

A. I will point out to the committee what I found in regard to that. This is for the year ending the 30th of June, '68. I find here: "Regent Gilbert, chairman of the finance committee, reported that he has examined the accounts of receipts and expenditures of the laboratory, the treasurer, secretary, and steward for the past year, and find them correct."

Q. What volume is that?

A. From '64 to '70, page 302.

Q. What is the next?

A. The next record I find, unless I have lost out some of these marks, was 1872, at the June meeting, I think, page 248, in the treasurer's report: "The annual report of ex-treasurer McIntyre has been received, examined, and found correct, and herewith returned and placed on file. The accounts and vouchers of the steward have been examined and found correct. The accounts and vouchers for expenditures in the laboratory have been examined by the steward and reported correct.

Q. Look at page 233 of that book.

A. Professor Douglas presented his annual report of laboratory receipts and disbursements for the year ending June 30th, 1872.

Q. Do you find that it is referred to the finance committee?

A. Yes, sir: this is the one that is reported upon.

Q. On that page was it referred to any committee?

A. Yes, sir; referred to the committee on finance.

Q. Did that committee ever make a report?

A. That is the one I have just read.

Q. That is the treasurer's report?

A. No: it is in my report. It covers the whole report for the fiscal year ending June 30.

Q. What page is that?

A. 248.

Q. What do you find on page 249?

A. I don't find anything.

Q. Do you find a report there from Bennett?

A. No, sir.

Q. Didn't he report on the accounts of Dr. Douglas that year?

A. He reported to me as chairman of the committee.

Q. Don't you find that there?

A. No, sir; it did not go into the records of the board.

Q. Was it customary for the finance committee to delegate their authority to Bennett?

A. I stated last night, I think, that there were two or three years, that Bennett compared these accounts.

Q. Take the year following,—'72-3; is there a report presented?

A. I find in looking thorough these matters that Regent Grant—it escaped my attention—when I was not able to be there Regent Grant examined these vouchers. He was a member of the finance committee.

Q. What do you find in the year following the one you have referred to?

A. I find the vouchers were examined by Regent Grant: so reported here and found correct.

Q. What page is that?

A. 315. It is my annual report to the Board, and that fact is stated: "vouchers for the above presented by the secretary of the Board, have been examined by Regent Grant, and found correct."

Q. Does that refer to Dr. Douglas' report?

A. It refers to the general expenses of the University. His report is not mentioned here, as it was more specifically in the year previous.

Q. Was his report included in that report of yours?

A. There is nothing here to show it.

Q. State whether the reports of the other officers were specifically named in that report.

A. I don't find anything but the report of the general fund. Whenever the Board met the treasurer was in the habit of sending in his report or statement of the way his accounts stood, which was merely for our guidance in making appropriations. These were not preserved. In 1873 I find that the annual report was made as usual at the September meeting.

Q. That is for the year 1872-3,—wasn't it?

A. The year ending June 30, 1874. It was made at the meeting, October 9.

Q. By whom was that reported?

A. I made the report. I will see whether there is any allusion made to the vouchers. "Vouchers for the above disbursements have been examined by Regent Grant and found correct." It seems he attended to it that year also. That covers the contingent fund and the general fund,—the treasurer's report of the contingent fund and the general fund. That was examined by Regent Grant.

Q. It does not cover the laboratory department?

A. I do not see any allusion to that. That is on page 405. That part alluding to the examination of doctor is on page 404.

Q. Have you ever at any subsequent time examined those reports of the doctor?

A. Those were examined every year.

Q. I mean, since you examined them yearly have you examined the report since this difficulty came up?

A. No, sir; for the year ending June 30, '75, is the annual report of the finance committee. It says here that the annual report of the treasurer, with a full list of all the warrants, is herewith submitted. This list of warrants has been compared with the books of the secretary of the Board of Regents and found correct.

Q. In 1875 you reported on his annual report of '74,—didn't you?

A. Yes, sir. "Vouchers for the receipts and expenditures of the chemical laboratory for the year ending June 30, '74," I think that should be '75, I know it was the last report that I made, and I find it is the October meeting,—October 15, '75, and the report would naturally be made at the October meeting for that year; but it is printed here for '74. It is evidently an error, and I have noted it here.

Q. Don't you recollect that his report was not presented at the usual time that year?

A. The usual time was at the June meeting, but they were laid over for examination and reported upon at the time of the meeting in the latter part of September, or the fore part of October, when the annual financial statement was always made. It was seldom we could get it ready at the June meeting, because the fiscal year had not expired.

Q. Will you take the annual report of Dr. Douglas for the years '68-9, and see if the item \$412.50 entered in pencil was there when you examined and passed those reports?

A. Well, sir, I have no means of verifying it now. I have no reason to doubt it was, from anything I know of.

Q. Take the report for '74-5, and tell the committee whether the footing and the condition of the paper at the footing is now as it was when you last saw it?

A. It would be simply impossible for me to answer that question, because I have no recollection particularly of it. These things passed from my mind, of course, after they were done with.

[Question repeated.]

A. It is impossible for me to answer that question, because I have no recollection particularly of it.

Q. In this report for '69 were there any vouchers for that \$412?

A. We expected that there were vouchers for disbursements. I have no recollection in regard to it whatever. There are thousands and thousands of those things that have passed through my hands.

Q. Were you in the habit of auditing reports that were partly in pencil and partly in ink?

A. We did not design to. That presents very much the appearance of pale ink. That might have escaped a person's attention very readily.

Q. That \$412.

A. That and the one above it I have no recollection of.

Q. Please refer to the report of the committee on steam heating, and see if that is the report you wrote and signed.

A. Yes, sir.

Q. Please read the report.

A. "Regent Gilbert, from the committee on heating the law and medical buildings and laboratory, made the following report: 'The undersigned, a committee to provide the law and medical buildings and the laboratory with steam heating apparatus, respectfully report the work completed to our satisfaction. The lowest bid received for the work was \$14,000. This so much exceeded our estimates that we resolved to undertake the construction of the necessary work without employing those who had offered bids. The total cost of the work has been \$10,007.40, exceeding our estimates \$2,000, leaving out the museum building, which will require a further expenditure of about \$1,500. Much of this extra cost is to be charged to the unusual caution taken to provide abundant boiler and pipe service by which to guard effectually against failure to heat the building properly in the coldest weather, with sufficient power to heat both the buildings now unprovided with steam. It now seems the saving in fuel and insurance will be nearly \$1,500 annually,' Signed by Mr. Douglas and myself.

Q. Did you direct Steward Bennett to pay Dr. Douglas \$400 for building the last addition to the laboratory, or order him to draw a warrant therefor?

A. I might have done so if that is the compensation agreed upon. I have no recollection of it particularly.

Q. Was this steam heating apparatus work done by the contract, or by the day?

A. The report tells how it was done. Proposals were received from different parties for boilers, etc.

Q. Was it done by the job or by the day?

A. The work of putting it up was done by the day; the boilers were built by parties who had put in bids.

Q. Who superintended the work?

A. Dr. Douglas. It was left to him to see to.

Q. Who devised or selected the plans?

A. Dr. Douglas made the estimates of the power necessary, and the pipe, and all that sort of thing.

Q. During what part of the year was the work done?

A. I should say as a matter of course it was done in the summer, because we could not take out the old apparatus and leave the building without the means of being heated. Still I have not a distinct recollection in regard to it. This report was made at the meeting of January 5. It had all been done previous to that.

By Mr. Mills:

Q. Let me ask you here if the plan afterwards adopted and carried out was the one under which you offered or under which you received bids?

A. I suppose it was, sir. Dr. Douglas made the estimates of the amount of boiler service. There is a way of getting at all that sort of thing by experts, so that it is easy to calculate the power required, and the piping required to heat a given number of square feet; and before we sought for proposals the estimate of the specific power required.

Q. What methods did you take to get proposals?

A. I should say from my recollection that we sent out letters or circulars to parties known to be engaged in that business. That is my recollection of it now, still I am not positive that we took such measures to get it.

By Mr. Taylor :

Q. Didn't you ever advertise for sealed proposals?

A. I have no recollection of that particular case.

By Mr. McArthur :

Q. I would like to enquire how many bids you had received?

A. That I do not know. As this report shows, the stumbling-block in our way was, that it was originally estimated that that apparatus could be put in for somewhere in the neighborhood of \$9,000 or \$10,000, and when we received proposals for putting it in, it so much exceeded our estimates that we thought we could save money by doing it ourselves, getting the boilers at the best advantage and buying the pipe and having the local mechanics at Ann Arbor put it together; and it resulted as we anticipated, in a decided saving.

Q. You finally constructed it on the same plans and specifications?

A. I suppose so. It proved to be very efficient and satisfactory.

By Mr. Taylor :

Q. Can you give us the name of any person or firm who bid upon the work?

A. I cannot give you the name of the parties that supplied a thing, in my recollection. The accounts are all in the University.

Q. Who wrote the report signed by you and Dr. Douglas which you have just read?

A. I wrote it myself. Whatever merits or demerits purport to come from me with my name at the head of the paper are in my handwriting. I was on other committees where my name appears, either in the foot or the middle. In that case I did not write the report.

MR. BRIGGS RECALLED.—FEB. 13.

By Mr. Kelley :

Q. From an examination of the University books, and vouchers, and papers in that department, can you give me the full amount of warrants drawn each year for the payment of assistants in the laboratory department, commencing at '67 and ending in '75-6?

A. I can give you all those in the name of Dr. Douglas.

Q. Give us '66-7?

A. There were three warrants drawn, one of \$12.50 and two of \$137.50 each; in 1867-8 there were four warrants drawn for \$137.50 each; in 1868-9 there were four warrants drawn for the like amount; for 1869-70 there were four warrants drawn for \$137.50 each; for '70-1 there were four warrants drawn for \$137.50 each; for '71-2 there were four warrants drawn for \$137.50 each; in '72-3 there were four warrants drawn for \$137.50 each; for 1863-4 there were four warrants drawn for \$137.50 each; in 1874-5 there were two warrants drawn for \$137.50 each.

Q. Any for '75-6?

A. No, sir. I have not examined the books since '74-5; have not had access to them.

Q. Have you any means of giving the names of the assistants employed in each of those years?

A. I can give you the names of those that Dr. Douglas reported in each of those years. I have examined the records and I do not find the name of anybody that was confirmed by the board that was appointed by Dr. Douglas to whom any money could have been paid.

Q. Can you give us the amount that Dr. Douglas was authorized to pay for assistants in the laboratory department for each of said years?

A. I don't know that I can give the amount. I can give you the amount he has paid according to his reports in each of those years.

Q. Give it.

A. '66-7—Dolebar, \$45, \$60; Rose, balance April 1, \$72.83; balance to July 1, \$50.83; Lewis, \$50. That closes that year.

Q. '67-8?

A. Rose, April 1, \$50; October 1, \$50; January 1, \$50; July 24, \$50, five in number. Weeks, February, \$40; June 2, \$40; July 2, 40. 1868-9—Weeks, December 23, \$50; April 1, \$50; July 1, \$50. Jewett, December 23, \$50; April 1, \$50; June 23, 50. Rose, January 4, \$75; April 1, \$75; July 1, 75. S. Douglas, \$96. '69-70—Meyendorf, November 1, \$12; December 31, \$12; December 31, \$12, \$24. S. Douglas, \$36. Jewett, December 28, \$75; April 1, \$75; June, \$75. Case, \$30; April 1, \$45. '70-1—S. T. Douglas, January 1, \$20; April 28, \$16. Howell, January 6, \$50; April 5, \$50; June, \$50. Rex, January 6, \$50; April 1, \$50. '71-2—Rex, June 30, 50. Jones, January 8, \$50; April 3, \$50; July 6, 50. Johnson, January 8, \$50; April 3, \$50; June 1, \$50. '72-3—Hubbard, June 30, \$20.50. Douglas, June, \$26. Johnson, January 1, \$50; April 1, \$50; June 23, \$83.34. Powell, January 1, \$50; April 1, \$50; May 21, \$16.60. In the year '73-4 I do not find upon Dr. Douglas' reports any thing charged for assistants. I believe there were two men working at the laboratory by the name of Johnson and Dickinson at that time. In '74-5 I take an item from Dr. Douglas' University book,—this is not in his report,—Cotton, \$135.92; Dickinson, \$50; Holloway, \$138.

Q. Those are on the University book?

A. Those are on the University book that I saw lying here. They are not on his report.

By Mr. McArthur :

Q. I would like to inquire what that University book is; what is it in account with?

A. It is this leather-covered book that is here in your possession. It is said to contain all transactions between the laboratory and the University, as I understand it.

Q. If it did not appear in the annual report it has not been charged to the University?

A. No, sir.

By Mr. Kelley :

Q. Do you find these various sums that you have given us in each year charged upon the debit side of his annual report?

A. Yes, sir.

Q. Do you find any credits for the same year?

A. I find during four of these years a credit for these warrants.

Q. Can you give us the years?

A. In '69-70 the warrants were credited.

Q. What amount was credited in that report?

A. \$550; four warrants.

Q. What other years?

A. '70-1, '71-2, '72-3; four in each year, amounting to \$550.

By Mr. Taylor:

Q. What knowledge have you of Dickinson and Johnson being assistants in the laboratory in '73-4?

A. I got that knowledge from Dr. Rose.

Q. You have no knowledge of your own?

A. Not of my own. I think I stated that I was informed.

Q. Were any of those warrants made payable to Rose during any of those years?

A. These warrants that I have enumerated are all drawn to Dr. Douglas and delivered to him; so stated upon the face of the warrant. The exception I mentioned yesterday, drawn by Bennett's son I believe, and was delivered to Dr. Douglas.

Q. How much do you find Dr. Douglas has not accounted for of the warrants?

A. \$2,212.50.

By Mr. Phelps:

Q. I would like to inquire whether the amount named in the University book has been allowed?

A. I put that in the paper I left in your hands. I have not given you credit, I just entered it in lead pencil, stating the item as I found it.

Q. Have you a list of warrants drawn payable to Rose since his connection with the laboratory?

A. I don't know that I have. We have a list somewhere of the warrants drawn. I don't know that there are any others than those drawn to Mr. Douglas. I simply went over the warrant book and took those drawn to Dr. Douglas. That is my recollection of it.

By Mr. Kelley:

Q. What do you say of the entry of \$412.50 in Dr. Douglas' annual statement in pencil?

A. That entry would seem to me under certain circumstances to have been put in afterwards,—after this report was audited, if it was ever audited. I see that the top line is in pencil, also the footings of it; and if you will give me Dr. Douglas' University book,—the private book,—I think I have seen something written here that might account for it. I find on this book for the year '68-9 the entry of three warrants. The first one is October 1, University warrant, \$137.50, which has the appearance of having been rubbed out and entered in afterwards. The next one is January 1, which has the appearance of something being rubbed out and entered in afterwards; April 29 does not present so much of that appearance, but still it is questionable. Those three would go to make up the sum of \$412.50, which I find entered in pencil upon this report. I would further say about that matter that I will read the report of Mr. S. S. Walker: "In Dr. Douglas' statement for '68 there appears a credit to the University of \$412.50, with no note or memorandum showing its proper disposition. Dr. Douglas claimed, and it would seem justly, that this credit covers the errors of the [year] '67-8, which he had discovered, and also collections made

on laboratory account not elsewhere reported.”—Page 18, March meeting, March 28, 1876.

Q. What book or special reports of Dr. Douglas does he account for these moneys to?

A. I see upon this University book, as I call it, a statement that certain warrants had been returned May 11, '76. I inquired then into the statement, and the book-keeper, Mr. Tregaskis, handed me a report. I would like to see the report. I find an account entered here stating upon its back that it was handed in by Bennett, February 2, '77, an account which covers five of these warrants, amounting to \$867.50.

Q. Is that in addition to the four years you have given?

A. Yes. It would appear in this report that about one-half of this report was worked out in '75, covering warrants of July, '73.

Q. How do you make that out?

A. I make it out from the report itself. From my examination of the warrant book I find it was customary to draw warrants after the work was done, and not before. This report would not seem to indicate such a state of facts.

Q. You say the special report accounts for five warrants: What year does the report cover?

A. From January 1, '74. There is December, and May, afterwards,—I could not tell whether it meant May the next year; I would say the year '75 at least.

Q. That accounts for how many warrants?

A. I see five warrants introduced in this.

Q. Of \$137.50 each?

A. Yes, sir.

Q. Was this special report filed before the commencement of this committee's work?

A. I don't know when it was filed. On the back it says, "handed in by Mr. Bennett, February 2, 1877."

Q. In whose handwriting is that?

A. I could not tell you that. It may be Mr. Tregaskis'; I don't know.

Q. It is not Dr. Douglas'?

A. I should say not. I don't know whose writing it is, sir. The laboratory book states that vouchers were delivered May 11, '76, on the University book.

Q. The private book?

A. Yes. This leather covered book I refer to as the University book.

Q. To whom does this report show that warrants were paid and for what were they paid?

A. It does not show to whom the warrants were paid. It says: "By sundry warrants from July 1, '73, to September 30, '74." That is the credit against this account. This account is debited with that and credited with this.

Q. For what were they paid?

A. Those are the same warrants to which I refer of \$137.50 each. They were drawn by Dr. Douglas, as I supposed. They were drawn in his favor and for laboratory assistants. They seemed to go back on the report to the year '73, and are being worked out now, I suppose.

Q. Is there anything in this report by which you can trace what warrants are included in this report, or to whom they were paid?

A. There is not.

Q. Will not the report cover warrants that were issued in '73 as well as warrants issued in '76?

A. There is no warrant upon this report issued in '76, as I understand it. These warrants run from July 1, '73 to September 30, '74. The work seems to have been done afterwards,—after warrants were drawn. As I stated in the first place, in my examination of the warrant book I did not find, as a usual thing, that warrants were drawn for salaries or any other purpose, in advance of the work being done; always afterwards. These must have been drawn some years in advance to be applied in this manner. That is all.

Q. Take that paper and refer, and state whether there were four warrants.

A. There were two warrants drawn in the year '74-5.

Q. Have the warrants drawn in '73 been used to pay assistants in the year '75-6?

A. From that report they were used to pay assistants in '75.

DR. DOUGLAS RECALLED—FEB. 13.

By Mr. Kelley:

Q. Can you give us the names and number of assistants employed in the laboratory department in the year '67?

A. I will say in reference to this assistant account, or the appropriation for assistants since January 1st, '67, when there was a warrant drawn for \$12.50; and from that time on until a recent period the Board have appropriated and put at my disposal \$550 a year annually for the pay of assistants. The record of the Board will show that. I cannot point out the record now. In the first part of this time I kept a special account,—an assistant account. I expended the money, paying it to the different parties as they were entitled to it that were under my employ. In the year '67-8 I received \$425 for this object and expended it in this manner, and so reported to the Board of Regents. This \$550, as you will see by examining the records of the Board, did not cover all the pay of assistants. A certain amount of money to pay assistants in the laboratory had come from the laboratory fund. Whatever came from the laboratory fund was charged with the laboratory account, and in my annual reports whatever went to these various assistants from this warrant fund was credited and charged to the account for assistants. Whatever appears in my report to have been paid to these different parties who were acting as assistants, came from the laboratory fund, and whatever was paid to other parties who were acting as assistants came from this warrant fund. I find upon examining the report of '66-7, that Mr. Dolbear was paid \$105 from the laboratory fund,—that Dr. Rose was paid \$155, I think.

I would say with reference to these that I intended to revise and compare my abstract this morning, but it was not convenient to get access to the papers, and hence there might be some trifling errors in the statement; but according to my account there was \$155 paid by the laboratory,—not by the laboratory, but there was paid to Dr. Rose by warrant drawn, which you will find by the warrant book, \$125 as assistant. William B. Rising was assistant in that year, as his name appears in my reports, and A. E. Foote was also assistant in that year. There appears to have been nothing paid to Mr. Rising or to Mr. Foote on my report. They were both men of experience,—men now of almost a world-wide reputation as chemists. Neither of them received any compensation, so far as my report shows; but they did receive compensation from this \$550 a year. Dr. Rose received \$125 by direct warrant from the board, and also \$60 and \$24.

There may be a slight variation here, but he states in his testimony that he received \$500 for services that year. He received but a small portion of that \$500,—perhaps \$150, or it may be \$200,—of the laboratory fund. Then from the warrants issued directly from the treasurer. Suppose he received \$200; if he got his pay at all, if he got the \$500, he must have had \$300 from this fund. Mr. Rising, if he received anything at all, and Mr. Foote, must have received whatever they received for their compensation also from this fund. This was reported to the Board of Regents and accounted for it their proper manner and the assistant account in that year closed up. Where that report is I am unable to say, but I think the facts are clear that Dr. Rising received compensation also from this fund for his services as assistant. In the year '66-7, I notice by looking at my report, at various places in making out that report I introduced the name of Mr. Rising, supposing he would be paid out of the laboratory funds, but afterwards paid him out of this other fund. For example, Mr. Rising's name appears there with a blank opposite to it, and in two or three other places—there again, and in two or three other places, which show that he was entitled to compensation and could have received compensation from no other source than this assistant fund. In that way Dr. Rose did not get his \$500 unless he got it from this channel. Mr. Rising and Mr. Foote got nothing unless they got it through this channel.

We now come to the year '67-8. There it appears upon my report that Dr. P. B. Rose was paid \$200 of the laboratory fund. He also received \$300 more. If he received that \$300 more, he received it from this source. That leaves \$250 to be paid to Mr. Weeks and Mr. Foote. Mr. Foote, who had already staid two years, received nothing unless he received it from this channel. He had become a man of experience, and of course was entitled fairly to compensation. Dr. Rose could not have had his salary of \$500 unless he had \$300 from this source. Mr. Foote could not have had any compensation whatever unless he got it from this source; and Mr. Weeks, a man of considerable experience, could have got only \$120 unless he got it from this source; so I think there is abundant to consume the whole of the \$550 which was appropriated; and this report was made to the Board of Regents accounting for the \$550 placed in my hands. I will state further with reference to this \$550, that it was a special appropriation, like a building appropriation, that had no necessary connections with my accounts whatever. I might include it in my annual accounts, or not include it, with perfect propriety.

We come now to '68-9, when it appears that I received also \$550 as assistant fund. I paid at that time from the laboratory \$250 to Dr. Rose, he received \$600 that year, salary, the balance of it must have been paid out of this fund. Mr. Weeks was charged in my account probably what he received, \$150; Mr. Jewett is also charged probably what he received; Mr. Foote is also charged very likely what he received,—\$150 from the laboratory fund. This would leave to be accounted for from this laboratory fund of course the \$550. Mr. Foote received nothing except from this fund; if he received \$137.50 from this fund, which in all probability he did, for after four years' service, if he could not earn that he must have been a poor stick, then the \$137.50 of that is covered.

Now, on the first of June, '69, immediately after making my annual report, I credited the University \$412.50, or in other words I credited them with three quarters' salary. That credit, when my attention was called to it by the former committee,—the Climie-Rynd committee,—I could not recall myself

what it was for, it was not until some time after they spoke to me that I was able to decipher it; when I did decipher it, and before that committee made their report, I abandoned all idea that it was any part of any forfeiture account whatever, or any part of any errors, and I never said a word about it; I saw when I examined through the assistant account, and looked the whole thing over, that it was a credit by our previous assistant account of three quarters' salary. From this time on, the money received on the assistant account, I have not entered in the laboratory statement. I then embodied it in this statement, and in the year '68-9, in June '69, the \$412.50,—the balance which I had on hand, was credited to the University, and in the year '68-9, the \$550 is credited on my reports. In '69-70 the pay-roll of assistants is carried out and expended in such form as it was thought for the best interests of the University for the payment of assistants; and some times, let me say with reference to this, that these assistants paid so little, as they are necessarily employed but a short time, many of them come and go, perhaps stay a few weeks or a few months, or a part of the year, and when they go away they want their pay; and perhaps they want their pay at intervals, to pay their board, from time to time; and hence it became necessary, or rather a convenience, I found, to embody [it] in my report instead of keeping a separate assistant account. The University had the benefit of this whole fund, of course. In '70-1 it appears on my account that \$550 was credited; in '72-3 it appears on my account again as credited to the University; in '73-4, I then separated this assistant account from the regular laboratory account, and in '74-5, when that appropriation ceased, I made a final report to the Board of Regents; hence the report will explain itself,—that special report with the accompanying vouchers. I accounted for the balance, which was in my hands at that time; '73-4, \$550; '74-5, \$137.50. These and the vouchers,—number 1, O. C. Johnson, \$100, January 1, 1874; number 2, O. C. Johnson, \$100, April 1, '74; number 3, June 25, '74, \$100, O. C. Johnson; number 4, Samuel T. Douglas, \$75; number 5, R. N. Cotton, December 25, '74, \$25; number 6, R. N. Cotton, \$91.67; number 7, June 25, '75, \$50, Dickinson; number 8, Mr. Cotton, April 16, '75, \$19.44; number 9, Mr. Holloway, April, '76, \$38.49; December 30, '75, Mr. Holloway, \$50; October 11, Mr. Holloway, \$38.

These vouchers cover the balance in my hands at the date I rendered that report, as I supposed. It was the final report,—closing up the account; for the arrangement for the pay of assistants from this period was changed. With reference to the items of these older accounts, of the pay of assistants, there were but a few items,—two or three items of disbursements that were paid during the year, and these special reports that were made at that time have probably been mislaid in the files of the Board. I know of no other way of proving that these parties have had their money except to bring them here and put them upon the stand, and let them say whether they received compensation as assistants. Their names appear in the catalogues, their names appear in various forms, showing they were officers of the University, and if they did not get their pay from this channel they got no pay whatever; and it necessarily—I trust the committee will call those parties or take measures to obtain their testimony. I can give the names of the assistants all the way through, I think correctly, if you wish, in each year.

Q. Very well.

A. In '66-7, Dolbear, Rose, Rising, and Foote; in '67-8, Rose, Weeks, Douglas, and Foote; '68-9, Rose, Weeks, Jewett, and Foote; '69-70, Jewett, Myen-

dorf, and Case; '70-1, Howell, Rex, and Douglas. I cannot be entirely sure of some of these years, for the reason that after a time the faculty dropped the names of those assistants from the catalogue, as they were so temporarily employed, and I can only give them from recollection and from the bills as they appear in my account. In '71-2, Rex, Jones, and Johnson; in '72-3, Johnson, Powell, Douglas, Hubbard; in '73-4, Johnson, Hubbard, and Powell; in '74-5, Johnson, Douglas, Cotton, Dickinson, Davis, and Holloway. If you will pass me my account book—my explanation of those entries is this: The entries were made as a sort of memoranda of the warrants that were delivered to me, and entered upon the general laboratory account. When I came to make my report I separated them and placed them in my special account, made a special report for that assistant fund, entirely separate from anything else. That is the reason, I presume. I have no doubt that is it.

By Mr. Mills:

Q. What do you say in regard to those entries having been made at a later period,—the entries to which Mr. Briggs referred. The University warrants in 1868-9?

A. I don't know, I am sure, whether they were made at a later period or at this period. They have been made when I made the report, for all I know. I kept track of that assistant fund and accounted for it, as the vouchers will show in the proper way.

Q. Do you understand whether they were made at a later period than the entries before or after,—whether there have been interlineations in the entries? What do you say in reference to that?

A. In '68-9, October 1, I credit the University \$137.50. January 1 for the next quarter, I again credit the University \$137.50; April 1, I credit the University \$137.50.

Q. What I say was, what do you say to the statement that these might have been made at a later period than the entries before and after? and there are apparent erasures.

A. I think you are referring to another year.

Q. No: that is the year.

A. I would say with reference to that, that all these entries in that book are memoranda of those warrants that were made to refresh my recollection of that fund, and when I came to make my final report I eliminated both the disbursements and the warrants from the report in those years where the warrants do not appear. Both the vouchers and warrants are eliminated from the report.

By Mr. Kelley:

Q. Here is one, January 1, \$137.50: What do you say as to that having been changed?

A. I do not see any evidence of any change.

Q. Did you ever change it?

A. No, sir.

Q. Did you put that in there after the other account had been made up after the other entries had been made?

A. No, sir; I think it followed after that entry. The handwriting changes, of course. It was made at the time I received it.

Q. You say, then, that you made the entry at the date it bears, and that you have not changed it since?

A. No, sir; it is an original entry for aught I know. I have no knowledge of any change. I don't know why I should change it.

Q. The other two items referred to by the witness you say are the same? Did you make that entry at the date it bears,—October 1?

A. I presume I did. I have no reason to suppose otherwise.

Q. You never changed it?

A. Not that I know of.

Q. You make the same statement as to the other items?

A. Yes, sir. I will call attention to another point in this connection. I notice in this account of 68-9,—this scratch book,—the fourth warrant does not appear in the account at all; hence, when I made up my account in June, when I got the fourth one I embraced it in the other account.

Q. In a special report?

A. Yes, sir.

By Mr. Taylor:

Q. Will you show us the record of the Board of Regents that made the appropriation of \$550 for laboratory assistants?

A. I will look it up.

Q. You say whatever came from the laboratory fund you have a right to charge to the laboratory, but not what came from the University fund?

A. Unless I credited the University fund.

Q. Then why do you in some years credit these University warrants and in other years you do not?

A. Whenever I carried this fund into my general account,—in those years that I carried it there I would charge the assistants. Now, as a part of Dr. Rose's salary, until a very recent time (as the records of the Board show), \$200 has come from the laboratory regularly.

Q. Take the report for '67-8 and select the items, giving name and amount making up the \$550,—not what might have been received, but the exact amount each one did receive?

A. I should want the vouchers accompanying the report, to answer that question. I cannot answer it with positiveness without the vouchers. Sometimes payments are made to parties who are assistants, and yet for another purpose entirely than as assistants in the laboratory, and the vouchers will state that purpose. If I look at the name I can guess whether it was an assistant. Voucher 23, P. B. Rose \$50, was I presume for services as an assistant. Voucher 68, Weeks \$40, I presume was as an assistant; voucher 83, Weeks \$40, I suppose he is an assistant; voucher 89, P. B. Rose \$50; voucher 92, P. B. Rose \$50; voucher 98, P. B. Rose \$50; voucher 99, E. J. Weeks \$40.

Q. Look at your report if you have not another one for P. B. Rose.

A. Either Mr. Briggs or I made a mistake. I made only three. I did not review my work.

Q. You say of these vouchers of '66-7, some you have reported this year as proper vouchers; will you show the vouchers for the \$550,—the warrants drawn by you this year which you claim to have paid in addition to this amount?

A. If Dr. Rose will give you his voucher I can show that for the balance between what is paid here and his salary of \$500, which he says he had. I said before that I have reported these nine or ten years ago to the Board of Regents,—these expenditures, and what has become of those reports and vouchers I cannot say. I can only say that these parties have received their pay, and Dr. Rose is here and can speak for himself.

By Mr. Phelps:

Q. You always took receipts when you paid out money?

A. Yes, sir, just the same as this report that is in here to-day of assistant account, when it was separated from my ordinary account, I render an account for it.

Q. How much salary did you pay D. J. Weeks?

A. I am unable to say, because I have no vouchers nor the account before me.

Q. Is the letter now shown you in the handwriting of Mr. Weeks?

A. I do not remember his writing. I could not identify it.

Q. Was that the amount paid?

A. I cannot recall. It is eight years ago, it is utterly impossible for me to recall it.

Q. How much salary did you pay H. S. Jewett?

A. I probably paid him \$150 in '68-9, whether I paid him anything out of this other fund—probably not. I paid him from the laboratory fund \$150.

Q. Do you know Mr. Jewett's handwriting?

A. I have forgotten it. I could not tell. I presume that is a genuine letter.

Q. How much salary did you pay M. B. Rising?

A. I have nothing to refresh my recollection with in reference to Rising: nothing whatever to refresh my recollection.

Q. Did you pay Rising himself, or did Rising draw his own warrant?

A. The warrant book will show, I can't tell. There was not much to pay then, after paying Dr Rose out of the laboratory funds. Of the amount I had, there was but very little left for him. He was one of the best assistants I ever had, and probably had to pay him fair wages.

Q. How much salary did you pay M. F. Case?

A. One of the vouchers going over this I have overlooked.

Q. How much is the amount?

A. I don't know; it was in '69-70.

Q. Have you any means of telling how much salary you gave him?

A. Except by looking over those vouchers or my reports. I appear to have paid Mr. Case \$45. It states there "assistant."

Q. Do you know Rising's signature?

A. I don't know that I can re-call it. I have not had any correspondence with him for four or five years.

Q. Will you state how much you paid Mr. Foote in any one year, and show the records of such charges and credits in your report or elsewhere?

A. I can't tell you. He was assistant for years, and whatever was paid him was paid him out of the assistant fund; and in the absence of vouchers pertaining to it I could not say.

Q. Is it not true that you did not pay Foote anything but the chemicals he used?

A. I have no recollection about it whether I paid him anything or not. I don't think it could be true, for he was there some time, and his name was in the catalogue as an assistant, and the probability is that he had some compensation. I don't know why he should work for nothing. I could not say he was paid anything in the absence of any documents pertaining to it. I only say I presume he was.

Q. We ask you to show a record of what you actually did expend, item by

item, for the year '67, for assistants, giving names, persons to whom paid, and amount paid.

A. I have already said that these amounts were reported, and I cannot give those items without the documents that pertain to them. I paid undoubtedly the difference between what appears on my report and what Dr. Rose says his salary was. Undoubtedly it was paid to him. Whether I paid it or not I don't know.

Q. Where were they reported?

A. They were reported in these special reports,—those that are here on file.

Q. Where are those reports?

A. Gone to the Regents. I can't say what has become of them.

Q. Where are the vouchers?

A. They have gone there if they went anywhere. That is where they should go.

Q. You presented vouchers every time you settled with the Regents on special or general reports?

A. Yes, sir.

Q. Where is your record of that?

A. I have no record of that.

Q. Haven't you any in that book?

A. Not that I know of except this last one.

Q. Why should they not appear there the same as other accounts?

A. They are warrants of money that came to my hands, and went right out to the parties.

Q. That was the case with others, I suppose?

A. Yes, sir; that was true. Special appropriations of that kind I did not open special accounts for, excepting the last case, where I did. I did not consider it important to do it.

Q. How do you account for these laboratory vouchers being saved and the others not being saved?

A. If you had known as much as I do about the saving of vouchers about the University you would consider it almost a miracle that these have been saved. There were some of these here and on file when the committees went to work at this thing, and they are not here to-day. How long they have been absent I do not know.

Q. Is there more than one special report in existence?

A. Yes, sir. I do not know that there is but one on this fund. I have not not looked. There may be reports—I have not looked for them. There may be other reports on this subject. There are a good many reports there which you have not seen.

Q. Was not this special report made after this committee had been appointed?

A. I think very likely it might have been, because I closed up the account after that; designed to close it up after that. I think I made it in December last.

Q. Is there any record of the printed proceedings of the Board of Regents?

A. I don't know.

Q. Where is the record you kept on this assistant account by which you are able to make out these special reports? That is to say, where is the record kept from year to year, by which it appears that this unexpended balance for assistant accounts was left unexpended?

A. I have not looked for the record. I don't know whether I could find it or

not. I might if I should make a thorough search. Perhaps I could find it among the files. If I had any record of it, it would probably be in the pocket memorandum book. I think it is doubtful whether there is anything in that book. That is a matter which came into my hands and went out.

Q. To whom did you give this special report, and who passed upon it?

A. I submitted it to the finance committee.

Q. Were you not in the habit of keeping all your accounts and records in regard to the laboratory and your University business in that book?

A. Not all of them.

Q. Did you not testify that was the only book you had?

A. That is the only book I had with reference to the University accounts; but special appropriations that came into my hands for specific purposes, and that were paid out immediately for those purposes,—I did not see any reason why I would put it in any book.

Q. Why is it you have kept part of the record of these University warrants on that book and not the whole of them?

A. Since I separated the account a year and a half or two years ago, either then or when I made this report, I wrote it up so as to have a connected history of it. I don't know,—I think it very likely this may have been written at the same time this report was made,—put in here; I don't know. I am inclined to think this was written up at that time.

Q. In the book?

A. Yes, sir.

Q. It was written at the same time this report was made?

A. I think it not unlikely it was. It may have been and may not. I can only judge of the similarity of the writing.

Q. And you think in all probability you made that report since this committee was appointed?

A. I think I made this in December last, when this amount was closed. Another provision was made for the payment of assistants. They are now paid directly by warrants, and as the account was closed I made up my report.

Q. If you made up your report and this record at the same time, from what record did you make up this report and this record?

A. I don't know whether I have anything or not; I have not looked for it. I know this,—that I received \$550 a year of this fund, that I have the vouchers for. They are there so far as the recent report is concerned.

Q. What member of the finance committee did you present this report to, and who passed upon it?

A. I think I placed it in the hands of the secretary.

Q. Has it been before the Board of Regents?

A. I don't know whether it has or not.

Q. You don't know whether it has been passed upon?

A. I don't know; very likely not.

Q. When did you place it in the hands of the secretary?

A. I think December last,—a year ago this December,—December '75, I think: no, December '76.

Q. This is written here: "Handed in by Mr. Bennett February 2, '77."

A. Handed in to whom?

Q. I suppose it was handed in to this committee.

A. It embraces the time to September 30, '74. When it was handed in I do know. It embraces the warrants at that time, I guess.

Q. Why did you present that report to the secretary when you had always before reported to the finance committee?

A. I very frequently presented those papers to the secretary and asked him to lay them before the committee. I did not know of any impropriety in it. He is an officer of the institution.

Q. How many warrants of \$137.50 have you received since you ceased to credit them to the laboratory?

A. I don't know that I have any. I see what the gentlemen mean. He makes me differ as to dates. In 66-7 he makes only two warrants, I think, and I make three; and if you carry it on in the same way it will cover the same warrant.

By Mr. Phelps:

Q. What was the occasion of your ceasing to credit these warrants?

A. I thought it would be better to have an account by itself. I went back to the first way of doing it. I don't know of any special occasion. It has always been a sort of embarrassing account to me, and I have sometimes thought it should be a special account, and then thought it would be better to have it in this form.

Q. I do not see why it should embarrass you if you took a receipt for every amount of money paid out.

A. I don't know as that would make any difference if it is accounted for either way.

Q. That seems to be the trouble now,—to account for it.

A. I think we can get the affidavits of those parties and account for it.

Q. Look at your annual statements for '73-4 and '74-5, and see how many are credited.

A. I don't think there are any credited for '73-4.

Q. How many were drawn during this time?

A. In this time there was \$687.50.

Q. Can you state positively?

A. That is according to my account. If I account right, every warrant that has been drawn since January 1, '67, has appeared in proper shape.

Q. If there was a balance of money left in your hands on assistant account for the years '70-1, '72-2, and '72-3, why did you draw any further warrants until these were expended?

A. Well, sir, I drew them, anticipating perhaps the wants of the laboratory, and they were credited in my account,—properly credited there. Very often, as in a year far back, a case occurs when I kept this assistant fund separate,—in the year '68-9. I found myself in June, '69, with \$412.50 for this assistant fund. Not knowing what disposition to make of it for the time being, I credited it in my laboratory account, and it so appears. It was a fund that was placed at my disposal by the Board of Regents and used in the employment of assistants, and the number employed and the wages paid to those assistants are and have been variable.

Q. How much did you pay your assistants in the year '71-2, and how much to each one, and their names?

A. I would have to look at my report for that.

Q. Here is the report for '71-2.

A. On this sheet of paper there is one voucher that has been mislaid or lost since this report was made,—\$100. There is the original checking by the auditing committee,—\$100 for assistants.

Q. Can you find the voucher?

A. I cannot find it here, sir. \$400 was paid for assistants that year.

DR. DOUGLAS RE-CALLED—FEB. 14.

By Mr. Taylor:

Q. Have you prepared the statement showing the names of each assistant employed in each year, commencing in '66-7 and ending in '75-6, and also the amount paid each assistant each year, and the amount and number of warrants drawn each year for the payment of assistants?

A. I am unable to answer the whole of that question from the documents that are before me, but probably I will answer the essential portion of it.

In '66-7 the following warrants were drawn for the pay of assistants payable to my order: January 1, '67, \$12.50; January 1, '67, \$137.50; April 1, '67, \$137.50; July 1, '67, \$137.50; making in that year a total of \$425. There were employed as assistants in that year, from the best information I can obtain, A. L. Dolbear, P. B. Rose, and W. B. Rising.

In '67-8 there were warrants drawn October 1, '67, \$137.50; January 1, '68, \$137.50; April 1, '68, \$137.50; July 1, '68, \$137.50; making four warrants, amounting to \$550. There were employed that year as assistants, P. S. Rose, E. J. Weeks, and Mr. Douglas.

In '67-8, there were warrants drawn of corresponding dates amounting to \$550. There were employed in that year as assistants, P. B. Rose, Mr. Weeks, Mr. Jewett, and Mr. Douglas.

In the year '69-70 there were four warrants, drawn of corresponding dates, amounting to \$550. There were employed in that year Mr. Jewett, Meyendorf, and Case as assistants.

In '70-1 there were warrants drawn amounting to \$550 for the pay of assistants. Persons acting as assistants—Douglas, Howell, and Rex.

In '71-2 there were warrants drawn amounting to \$550. There were employed in that year Jones, Johnson, and Rex as assistants.

In '72-3 there were warrants drawn for corresponding amounts and dates, \$550, and there were employed in that year as assistants, Hubbard, Douglas, Johnson, and Powell.

That is as far as I have been able to go with the assistants. The warrants have been drawn right along until the date of the last warrant in my special report, amounting to \$550 a year. I cannot state with entire accuracy as to these assistants; there may be one or two more, not any less. There may be some others whose names I shall be able to supply when I get further information. The reason why I am unable to supply the names of all of them is that they are somewhat changeable, of necessity, and the catalogue for the last half dozen years does not furnish that information, and there is no official document that does furnish the information. I have also prepared a statement of the special accounts preceding the time when these warrants were credited in my general account,—of the disposition that was made of that money. This is a condensed statement, I would state.

In July, '67, we would assume that the University was or should have been credited with four warrants, amount to \$425, the numbers of which I have given. On July 1, '68, I received four warrants, amounting to \$550. July 1, '69, I received four warrants amounting to \$550. The whole amount of these four warrants is \$1,525. Of course they would stand charged to me to be accounted for. In the absence of any documentary evidence, or reports that may be in

my hands, it would be a difficult matter to ascertain or find them. If they were here, probably somewhere among the documents of the Board—but all told they amount to only three or four receipts—all that are wanting. On July 1, '67, I paid to P. B. Rose, in order to make up his salary, which the records of the Board of Regents and his own testimony shows he had—I paid him \$500 of this fund.

Q. From the laboratory fund?

A. From the laboratory warrant fund.

By Mr. Phelps:

Q. You reported \$425 as received on the warrants?

A. Yes, sir. Of course I paid him more than I received; in other words I advanced him his salary for that time. July 1, '68, his salary would have been \$500; and referring to the schedule which I have here of '68, my annual statement shows that I paid him from the laboratory funds, voucher 23, \$50; voucher 98, \$50; voucher 89, \$50; voucher 92, \$50; in all \$200. Two hundred dollars taken from the \$500 would leave \$300 to be paid from this assistant warrant fund.

July 1, 1869, Dr. Rose's salary was \$800. From vouchers which I find there, there was for extra services paid him another \$100. Total paid him that year, \$900. There were three warrants drawn by the Board of Regents in that time,—numbers 1069, 1118, and 1157, amounting to \$375, which was paid him from warrants drawn from the Board of Regents payable to his order, and of course he had the money. The amount paid him from the laboratory, as shown by the vouchers—the voucher 17, \$75, voucher 68, \$75, voucher 98, \$75, and voucher 112, \$75, making in all \$225. \$225 added to the amount paid by the Board of Regents would make \$600, and that deducted from his entire salary would leave \$300 paid him out of the assistant warrant fund; and then at the close of that year I transferred from this assistant warrant fund to my laboratory account fund \$412.50. I credited the general laboratory account and transferred this account to that account. That would leave to be accounted for, \$12.50. Add these all together and there would require to be accounted for \$12.50 in order to make the accounts balance. That \$12.50 I presume was properly accounted for by payments for some service, as very frequently we are under the necessity of employing temporary service for a few days. What it was for I cannot recall, and I have no means of recalling it.

This I believe is substantially an accurate statement. I would state with reference to these sums paid Dr. Rose, assuming his salary to be the same that the records of the Board of Regents show it to be, and as he received no pay from any other source than this, and that the records of the Board of Regents recognize the the payment in their records of \$300 to him from funds in my hands, I assume that, if he had his full pay, having no other source to obtain it from, he must have obtained it through me. If I had the documents I could complete the entire years. I have not, and I grope somewhat in the dark.

I would say with reference to the statement which I made yesterday, it was of necessity somewhat fragmentary, having had no access to documents that are here to strengthen my statement. After the close of the credit of \$412.50, the warrant fund up to the last report which I made of the special fund, is regularly credited in my account. Then the special account would speak for itself.

By Mr. Taylor:

Q. Where do you find the vouchers of \$100 for the year '68-9, as you state?

A. It is a voucher that I found this morning in one of the packages. It seems

to have gotten into that package of that date, and does not appear in my report anywhere, and I assume that it belongs in here. There are two vouchers of \$50 each. I suppose that it is a part of some of these special reports which I have made from time to time. It is a payment to him for extra services.

Q. Did you find voucher 23 this morning?

A. There is one voucher that I could not find. I think I did not find voucher 23. That is in '67-8.

Q. The two vouchers which you speak of were in the '67-8 package?

A. They are in the same package where I found them. We sorted them all out so that we could get them without any trouble this morning. Here is a voucher for \$75 that is in my report; here is another for \$75 that was in my report; here is another for \$75 that was in my report; and here is another for \$75 that was in my report. That embraces all of Dr. Rose's vouchers for that year.

Q. Are these the two vouchers which you refer to as having been found?

A. Yes, sir. I don't know where they belong. They are not charged in my report. That is all I know about them.

Q. They bear date respectively June, '68, and July, '68?

A. Yes, sir: they are in the year '68-9. I presume they have got out of place. I would state that I have not embodied in that report some payments made to Mr. Rising. Mr. Rising, I notice, by examining the warrant book (which I had not done until to-day) was paid by special warrants drawn by the board.

Q. Look at your report for '67-8 and see if those vouchers are not reported there.

A. I have already done so, and I have not found them. I will look again. I examined it somewhat hastily this morning, possibly I may be mistaken. After examining the report again I would say that by no construction that I could make of this matter should I think those vouchers belonged here. There was one voucher given the month of August,—the latter part of August, or perhaps the first of October, more probably the first of October,—for \$50,—voucher number 23. That seems to have been mislaid or lost. The other three vouchers—there are only four on the account checked off. If the voucher that was lost includes one of those it is not of corresponding date. It is possible that one of them might belong in this report. The other I do not find unless I have overlooked it. The committee can examine it for themselves.

DENSMORE CRAMER SWORN—FEB. 14.

By Mr. Taylor:

Q. Where do you reside?

A. Ann Arbor.

Q. How long have you resided there?

A. Fourteen years.

Q. What is your profession?

A. Attorney and counselor at law.

Q. Are you acquainted with Drs. Douglas and Rose?

Answer, if given, omitted by reporter.

Q. Have you heard of any defalcation or deficit in any department of the University?

A. I have heard of such a talk.

Q. When did you first hear of it?

A. In the fall of '75, I think.

Q. How was it brought to your notice?

A. Brought to my notice by an article I saw in the Chicago papers; also in the Detroit papers.

Q. Have you ever had any conversation with either of the parties about that time? did you have any conversation with either of the parties in regard to it?

A. I did with Dr. Rose.

Q. Were the publications in the Detroit and Chicago papers about the same time?

A. Nearly the same time

Q. Which of the publications were first?

A. I am not able to recollect.

Q. You had a conversation with Dr. Rose?

A. I did.

Q. How did you come to have a conversation in regard to this matter?

A. Shall I explain why I came to have it?

Q. Yes.

A. Dr. Rose was treasurer of the Odd Fellows' lodge in the city of Ann Arbor, and I was his bondsman. When this matter came out the lodge felt interested, and I did myself, and I went up to converse with him on the subject at our [his] house.

Q. What did you find out in regard to the defalcation?

A. Whether there was any defalcation or not, I did not find out anything.

Q. Did Dr. Rose make any admission to you in regard to the defalcation?

A. Dr. Rose talked with me on the subject but did not admit any defalcation on his part.

A. What information did he give you with reference to the defalcation?

A. Shall I tell the conversation as I recollect it?

Q. Yes.

A. I saw Dr. Rose in his house. When I first went there I made a joking remark,—“Doctor, what kind of a muss are they trying to get you in?” He said he did not know. Says I, “What is there about this matter, anyway?” He said, “You have seen what there is in the papers; you know about as much about it as I do.” Says I, “Dr., I came up to talk with you; not to draw anything out of you nor blame you in any respect, but to talk with you as an Odd Fellow and a friend about this matter.” He said he was very glad to see me. He would be very happy to talk with me. Says I, “I see by the paper there is some difficulty about these *D*'s and this red line.” I said, “What do these *D*'s mean?” He said, “Those *D*'s are made by Dr. Douglas, and indicate, as I understood at the time, that he had received the deposit and the ticket for the stub on which the *D* was written.” I said to him, “What does the red line represent?” He said, “Those indicate that that amount has been settled.” Says I, “What account is it?” and he went on to tell about students wanting more chemicals to use at different times. He settled up with Dr. Douglas, and the diagonal red line was made across the stub to indicate the settlement. I then said to the Dr., “Let me ask you two or three questions, like the lawyers will ask you in court: Who made those red lines?” He said he did. Says I, “Did you make them in the presence of Dr. Douglas?” He said he did. Says I, “Was the pen and ink with which you made them in your possession, and under your control?” He said it was. Says I, “Didn't you have the same pen and ink in your possession and under your control in the absence of Dr.

Douglas that you had when he was there?" He said he did. Said I, "Could you not have made as many of those red lines as you saw fit in his absence?" He said he could, but he did not.

I then said, "As a matter of course, in court they would not be absolute evidence of receipt." He said, "I don't know much about that; I am not a lawyer, and I have not thought enough about that." Says I, "Have you been in the habit of using this University fund! What I mean is this: did you use it in connection with your own fund, or did you keep it entirely separate?" "Why," he said, he "had at times used some of the University fund and paid it again on settlement." I said, "What I mean is this: suppose you were down town and you had no thoughts of buying anything when you went down, but after you got down there and saw something that you wanted that amounted to \$25; you had \$10 of your own and you happened to have \$15 of University money in your hands,—would you take and buy that article, and afterwards pay that back out of your own funds?" He said "Yes." I said that a man who would use trust funds in connection with his own private deposit would be apt to be disappointed about the deficiency he would find when he came to settle at the end of the time. I then said to him in regard to the Odd Fellows' fund, "Have you used that in the same way?" He said "Yes." Said I, "What I mean is this: suppose we should call on you at the present time for whatever funds that belonged to the Odd Fellows' society; have you got it in the bank now so that you can hand it over?" He said "No; but he would hand it over just as soon as they wanted it." In other words, I said, "You have used the University the same as you have the Odd Fellows' society?" He said "Yes." Said I, "Between you and me as a friend, do you owe the University anything? He said, "I may owe the University something,—I may owe them \$400 or \$500, and I am ready to pay it; but I state to you before God and my family, that I never embezzled any funds of the University. I may owe them at different times, and a great many times. I don't know how it stands."

Q. Are you still a member of the Odd Fellows?

A. I am.

Q. Is Dr. Rose?

A. Dr. Rose is still a member in good standing.

By Mr. Mills:

Q. Did they continue him as treasurer of your lodge?

A. Until his term of office expired. We settled up with him, and we owed him \$1.34 when we settled up with him, and he got the money.

Q. You have had no conversation since on the same subject?

A. I think I have never spoken a word with Dr. Rose on the subject since. I don't recollect that I have.

By Mr. Taylor:

Q. Is it not true at that time, since the last settlement with Dr. Douglas, Rose had received \$400 or \$500 of University money that he then had on hand? Do you know whether at the time you had this conversation that he had not then money on hand which he had received since the last settlement with Dr. Douglas?

A. My understanding from Dr. Rose was that he had some matters on hand then that were not settled up for, and as I understood afterwards we settled up for them.

By Mr. Mills:

Q. Have you any knowledge of the source of information from which those publications in the papers were made? Any personal knowledge?

A. Nothing only hearsay. I did not write them myself.

Q. How long after the publication was that conversation?

A. My impression is it was the first Saturday or Monday that I saw the publication in the papers, and I don't recollect whether it was Saturday or not.

ALBERT DUBOIS SWORN—FEB. 14.

Q. What is your business at present?

A. I am not in any business at present. My profession is that of mining engineer and chemist.

Q. Were you ever connected with the University of Michigan?

A. I was.

Q. At what time?

A. I was there as a student five years prior to 1848, graduated in 1848, and subsequently in '52-3 I returned and was in the employ of the board.

Q. What position did you accept when you entered the University in its employ?

A. It was a nominal position at first,—to make the experiment of establishing a class in analytical chemistry.

Q. Will you go on and state to the committee what part you took in establishing the department of analytical chemistry?

A. The first year it was an experiment; that was in '53, if I remember rightly, and the experiment succeeded to this extent, we had a few students, and they seemed to be very much attracted to the study of it, and at the end of the short season which we then held they seemed to be quite satisfied, and the following year the board, owing to this success, erected a building, or took measures to do so, and subsequently the department was established of analytical chemistry in that building, now the laboratory of analytical chemistry.

Q. Was that building erected under your supervision?

A. No, sir; it was not built under my supervision, but many of the interior arrangements were at my suggestions made to Dr. Douglas.

Q. What position did Dr. Douglas hold at that time in the University?

A. Professor of chemistry.

Q. Go on and state.

A. I conducted the classes nearly alone from the beginning of the laboratory; subsequently, that is after the laboratory was established, the class was gradually increased; the classes in chemical analysis and the institution seemed to be quite flourishing; the laboratory rapidly increased, and continued to do so as long as I remained there until 1863. At that time the laboratory was quite full, and the accommodations were entirely occupied.

Q. Did you have any assistants in the laboratory?

A. Professor Douglas was there a portion of the time, a nominal assistant, but the great burden of the labor came upon me, so much so that it was a common remark.

Q. What was the manner of doing business with the students at the time when you went there?

A. Soon after the establishment of the laboratory the system was adopted of a deposit of \$10 of money in advance.

Q. With card vouchers?

A. There were no card vouchers at that time. I don't remember very distinctly that there were any card vouchers. There might have been some kind of receipts given,—I think not first but afterwards, that was established,—that is, according to my recollection. The sum which was deposited was considered to be a conditional fee for chemicals used in the laboratory in the pursuit of the study.

Q. What account did you keep with the students in relation to this deposit, and the amount of chemicals they received?

A. At the beginning I think there was very little account kept, the business was so small in amount. I know of no regular account book as I now remember, but subsequently a book was printed and bound with forms for filling up, showing the names of the chemicals and the quantity obtained by each student, and the price of each was carried out in the column and footed up at the bottom. On settlement with the student, if his bill amounted to less than the deposit, a subtraction was made and the balance shown at the bottom paid; and if more, the balance was on the other hand; so each page showed the amount of each student complete, and the balance was there if against the laboratory or if against the student.

Q. Who received this deposit money.

A. At first I received some portion of it, and Professor Douglas a portion. Subsequently he received the entire amount. I received a portion at first, and on one occasion a circumstance occurred which made me resolve to receive no more.

Q. What was that circumstance?

A. I handed him over some money which I had received in that manner, and intimated that it would be proper that I should have a voucher for the money. He said the Board of Regents did not know me, that he alone was responsible to the Board, and it was not necessary that I should have a voucher. The circumstance so shocked me at the time and created such an impression that I thereafter avoided, as far as possible without injuring the business of the laboratory, receiving money.

Q. What time was this?

A. Very soon after the establishment of the department in that way.

Q. '53?

A. '54.

Q. You had a blank book for keeping accounts?

A. I think so.

Q. You don't know what has become of those books?

A. I don't know what has become of them after I left.

Q. At what time was the laboratory established in a small way?

A. In the lecture room in the medical college.

Q. Don't you know what year?

A. I think it was '53. I saw a bill paid for chemicals and apparatus as far back as '53; it might be '52. I have no data or memoranda from which to refresh my memory.

Q. How long did you continue the position you held in the laboratory?

A. Until '63 I continued in the employ of the Board of Regents in the capacity of assistant professor.

Q. Why did you discontinue your connection with the University?

A. Circumstances occurred after this which rendered my relations with Pro-

fessor Douglas very disagreeable, and so much so that finally I sought to have a position which at least would be independent in some respects, and the last year I was there I was assigned to duty in the basement of the wing of the laboratory on the east, [of] that recently built to instruct a class in pharmacy. I was one year entirely separated from the business in the laboratory above. That was the year '62-3, and in '63, just before the close of the year, I made respectful application to the board for an appointment,—an independent appointment which I supposed I had earned, and which I believe was justly my due, because I had understood from the beginning that if I succeeded in establishing this department of analytical chemistry such would be the result that I would receive an independent appointment, at least a full professorship. Being out of the department, as that seemed to me, I requested of the board to give me a full professorship independently, in a department in which I could do both the Regents and myself more good.

By Mr. Phelps :

Q. You say from '54 to '63 you received no money from the students?

A. I received some in settlement, there was always a balance. I received no deposits, but sometimes the bill of the students for chemicals and apparatus would exceed the amount deposited, the balance I was obliged to receive, and generally did so,—I don't think in all cases, but in many.

Q. Up to what time did you receive those?

A. Up to the time I ceased attending to instruction in the principal laboratory; I think it was up to the last of '62.

Q. Did you receive an independent professorship?

A. I did not; it led to my immediate dismissal, or rather the abolition of office of assistant professor of the University, by the action of the board at the meeting immediately following.

Q. That was in '63?

A. That was in '63.

Q. How long after was that re-established?

A. I have not the exact date, but it is only a few years, as I expected it would be; I knew it was only done for the purpose of displacing me.

Q. What reason have you to suppose that that was the reason of the abolition of that office?

A. It was intimated to me that under-handed measures were being used to cause the board to displace me, and avoid granting my request; and the board then existing, on its expiration sent word to me that there was one act which they deeply regretted, which was the great injustice they had done me, showing to my mind that they had been deceived.

Q. Was this sent to you in writing?

A. It was verbal.

Q. When you were connected with the University laboratory, who received the money and in what proportion?

A. The exact proportion I cannot state; but far the greater portion was received by Professor Douglas. Almost uniformly the deposits were received by him, and the balances at that time, that would very often exceed the deposits, were usually in small bills,—very moderate.

Q. In what manner did you pay over the money to Dr. Douglas?

A. I paid it over uniformly at such opportunities as constantly occurred.

Q. Take any receipt for it?

A. After the experience I first had in attempting to get a voucher, I made no other effort that I remember.

Q. You paid over the money to him while you were there without taking any voucher?

A. Certainly,—many times.

Q. Was your suspicion ever excited that all was not right financially in the workings of the laboratory, in accounting for the money?

A. In the accounts of the Professor of Chemistry?

Q. Yes.

A. I had frequently suspicions.

Q. Please state what caused you to ask for a receipt for money you were paying him?

A. I thought it was but right, in a business point of view. At that time I had no other motive, that early in my connection, and I thought it but right that if I paid over the money I should have the evidence that it was paid; but I was obliged to see that I ought to be able to show—

Q. How many students were there in the department in pharmacy?

A. Six or eight.

Q. Did you receive money from them?

A. I did, sir, and accounted for it. You will find the bills approved at the meeting of the Board of Regents which displaced me.

By Mr. Taylor:

Q. Please state just what Douglas said to you when you asked for a receipt?

A. I have already stated it.

Q. Did you ever report directly to the Regents?

A. I did not, except at the very terminal of a report I have just stated I had made. That is the only report I think I ever made.

Q. What else did you see that excited your suspicion that all was not right?

A. The charges in the annual reports there were frequently balances apparently due him for which I could not account. That was chiefly the reason.

Q. Why not account?

A. I could not see why there should be any such balances for any such length of time as was represented, as the reports were made at the end of the year and at the beginning of the following year. The amount of the deposits was usually very considerable, so that I always believed a considerable amount must be in his hands; and every year there was a considerable excess over the profits upon chemicals dispensed during the year preceding, so that I had reason to believe the amount paid for the chemicals and apparatus must be no larger than the amount received at the time, or very soon after the reports were made.

Q. In regard to entries charged, did you ever see anything that all the money that was received was not accounted for?

A. That was the manner in which I observed the deficiencies were put in the reports,—charges for interest and interest on balances.

By Mr. Phelps:

Q. Did you require a deposit before starting an account in the ledger?

A. We had no ledger. There was one book that was a blotter, which was kept to keep the account between the laboratory and the students,—the only book I had anything to do with.

Q. Did you require a deposit of money?

A. That was the rule of the laboratory. There is no evidence except that.

Q. Did you have any students that you did not require deposits from, but went on and got chemicals?

A. The deposit before the commencement of study is usual; the subsequent deposit was not required.

Q. By a certain few, I understand you, a deposit was required?

A. A deposit was required in advance of occupying the table and commencing study.

Q. In all cases?

A. I think the rule was general in its operation, and I do not recollect any exceptions.

By Mr. Mills:

Q. What opportunities had you to decide or to determine whether the balances for or against Dr. Douglas were correct?

A. Knowing the amount received and the amount disbursed, and observing in the published reports of his accounts with the Regents, of course I have a general idea,—form an idea in that manner. That was all.

Q. Did you ever detect a discrepancy in the receipts and disbursements?

A. I had not the means of accurate information: I could only judge in general. The books were kept entirely by Professor Douglas so far as between the laboratory and the regents, between the students and the laboratory was all that I had to do, and all that I had access to.

By Mr. Newcomb:

Q. I understood you to say that you did at first receive some deposits?

A. I did.

Q. What voucher had you in paying those over to Professor Douglas?

A. I never had any voucher.

Q. Was there any voucher in the laboratory?

A. No, sir.

By Mr. Taylor:

Q. Did you ever know of any articles of apparatus purchased for the laboratory taken to Dr. Douglas' house and kept there? and if so, what amount?

A. There were articles purchased,—represented to be purchased,—for the laboratory, as an expensive barometer and subsequently or about the same time, or shortly after, a microscope, both of which were expensive. The microscope was for a time in the laboratory, but for considerable intervals was not there. I knew of these. Whether he retained them or not, of course I cannot say, as I left there; but they were in his possession at that time, solely in his use. The barometer I only know from himself. I never saw it, but it was always at his house.

Q. Do you know that those articles were purchased out of the laboratory fund?

A. It was so understood at the time. I did not see the bill myself. I rarely saw the bills that came from New York.

Q. Were those articles in use in the laboratory?

A. The microscope was for some time. It was in his private use.

Q. Was the barometer there?

A. The barometer was never there in my time. I do not now recall any other piece of apparatus which could be classed under that head.

By Mr. Newcomb:

Q. At the time you received these deposits you say there was no evidence in the laboratory, no voucher that the deposit had been received?

A. I misunderstood your question when it was asked before. In the latter part of the time it was the custom of Prof. Douglas on receiving a deposit to give the student a check which showed the deposit was paid. When that ticket was presented he was credited upon the ledger back with the deposit.

Q. If that ticket never was returned, what evidence would there be?

A. Then there would be no evidence in the laboratory; but if the student wished to pursue his study it was evidently for his interest to present the ticket entitling him to a table.

Q. [When he] received such table the entry was made upon the ledger?

A. Yes, sir; and the entry was made upon the ledger that \$10 had been deposited, and it was credited to him and accounted for against the chemicals which he received.

Q. That was entered in your hand?

A. Always.

Q. How would you make the entry?

A. The entry was placed in its proper place. There was a blank left for it, and \$10 was placed to their credit.

Q. Did you make any minutes showing who received that deposit?

A. No.

Q. Why did it never stand charged to you as being in your hands?

A. Because I have made it a point never to receive them.

Q. Not as you gave credit?

A. The credit was required by me merely as evidence that it had been paid to Professor Douglas.

By Mr. Taylor:

Q. How long have you been absent from Ann Arbor since you were employed in the laboratory?

A. I have been absent ever since, except on a flying visit once or twice.

Q. State particularly what has been your employment during the period.

A. I established a laboratory in Philadelphia, on my leaving Ann Arbor, of analysis and assaying; and in connection with another gentleman of Philadelphia, I maintained it up to about a year, when I received the appointment as general agent of the American Exploring Company of Philadelphia, whose business was the purchasing and development of mines; and I was traveling nearly all the time,—traveling and transacting their business,—not all the time traveling, but transacting their business until '73, I think, except three years. From '67 to '69 I obtained leave of absence to absent myself to take charge of a certain mining interest in Mexico. In 1870 I returned to Philadelphia and resumed my connection with the company, and returned to Colorado in the spring. I remained in Colorado until '73 as the agent of that company.

Q. How long since you returned to Ann Arbor?

A. Six weeks or two months. I have not returned to Ann Arbor, I have returned to Michigan.

Q. What has been your employment since you returned to Michigan?

A. I have had no employment.

Q. What are your feelings toward Dr. Douglas at the present time?

A. My present feelings are those of a man whom he has deeply injured.

Q. Did you suspect that Dr. Douglas was opposed to your appointment as professor?

A. At what time?

Q. At the time you made out the application for a full professorship?

A. That was generally understood, and I think I was informed by at least one of the Regents.

Q. How did you know the amount of money disbursed by Dr. Douglas?

A. The only information I had was the knowledge of the value of articles purchased and delivered at the laboratory for the use of the department. I always knew the market rate very nearly. Since that time I have been much more familiar with the market, and I believe my previous judgment has generally proven correct.

By Mr. Phelps :

Q. What percentage was made, according to your judgment, on chemicals?

A. I should think it would average over 50. I never made any close estimate.

By Mr. Taylor :

Q. Do you know of a single item of laboratory receipts that was not accounted for by Dr. Douglas?

A. The question is so indefinite that I would hardly know how to answer. Accounted for to whom?

Q. To the Regents.

A. I never knew what he accounted for. I knew merely the gross sums of expenditure which he accounted for.

Q. Was he not in the habit of accounting by items and with vouchers?

A. I have already said to the committee that I had no means of knowing the items; and in the first place, when I answered a similar question, I said that I judged from the gross amounts reported. His reports were never published in detail. Only the gross amounts and only the reports after publication in the papers were accessible to me; at least I never saw them.

Q. Did you ever take any measures to create a feeling against Professor Douglas?

A. Not that I am aware of.

Q. Did you ever write any letters in order to excite a feeling against Dr. Douglas?

A. I have no recollection of doing so, sir.

Q. And you never have examined his reports and compared them with your estimates of expenditures? Could you not have done so?

A. Possibly I could. I never made an effort. I never desired to make such comparison. It was not my object at that time to follow up Professor Douglas.

B. F. COCKER SWORN.—FEB. 14.

By Mr. Taylor :

Q. What position do you hold in the University of Michigan?

A. Professor of intellectual and moral philosophy.

Q. How long have you been connected with the University?

A. Eight years.

Q. Have you heard of any defalcation or irregularities in the laboratory department?

A. I could not live in Ann Arbor a day without hearing of it.

Q. Are you acquainted with Dr. Rose?

A. Of course.

Q. And Dr. Douglas?

A. Yes, sir.

Q. When did you first hear of this irregularity?

A. I think it must have been in the middle of the month of November, '75. The first intelligence I had of it was from the Detroit papers.

Q. What do you know about the manner of keeping the accounts and about the defalcations in the laboratory?

A. Do you want me to go on and tell my story as I understand it?

Q. Yes.

A. Then perhaps I ought to say first that when I saw the morning papers I was of course shocked; and on the evening of the day, or the day following, I had an interview with Dr. Angell. The first question I asked Dr. Angell was, "Has Dr. Rose made an admission or any confession of having taken any laboratory money?" The reply of Dr. Angell was that he had not,—that he was very reticent. Then I said, "What evidence have you that there can be \$5,000 in the hands of Dr. Rose?" Said he, "There is his house there." Says I, "\$2,000 of that house came from the army; his wife has earned the greater portion of it else, and I think that sobriety and industry and patriotism have a poor reward if it was to be suspected of having stolen money to build a home with."

In a few days after this I sent for Dr. Rose to my house, and I endeavored in every possible way to extract from him some confession of his guilt, if he was guilty, for my guidance, and because of that Christian church to which we were both belonging. "Now," said I, "Dr. Rose, if you have any of this University money, or taken any money belonging to the University, I beg of you by everything sacred that you confess it." I said, "Do not tell any lies about it; because, if you tell one, you will have to tell 50 or 100, and you will be found out at last; so I pray tell the truth, and if you confess it, pay it back, and then you can go to some other part of the world, and you can commence life again, and with God's blessing you can be respected;" and I brought every motive from earth and heaven to bear upon him to get him to tell me, the dearest friend, I believed, he had on earth, the truth. He said, "How can I confess when I am not conscious of having a single dollar designedly taken out of the University?" Said I, "Rose, if you can say that to me now as in the sight of Almighty God, and dare to say so in the dying hour, knowing that you will have to meet it at the day of judgment, then your duty to your wife, who has earned a deal of your money, and your little children at home, and to me who has been your friend, and to the church, is that you defend yourself to the last." That was the advice that I gave to Dr. Rose.

I furthermore said to him: "I hear you have paid over some money; why did you pay over that money?" His reply was that he had not vouchers for all the moneys he had paid over to Dr. Douglas, and therefore, having no evidence of the whole payment, he felt himself absolutely in his power, and in order to secure his place he had paid the money; and that he would take care and see that he had vouchers in the future, so as to save himself from ever being involved in such circumstances again. He furthermore said he was in fear of Dr. Douglas, as everybody around the laboratory was, and that before Dr. Douglas' strong will he must either bend or break.

I then said to him furthermore: "But have you no money in your pocket belonging to the laboratory? Had you none at the time Dr. Douglas came to you?" He said, "Of course I had money in my pocket belonging to the lab-

oratory,—belonging to that year's account," There must have been \$600 or more of accounts belonging to students who had gone home and left their accounts unsettled. The deposit money would be in the hands of Dr. Douglas, and subsequent payments would be in Rose's hands, and until the tickets were returned by the students that money must lie in his hands; therefore, there were a great many still unsettled accounts.

I had no more conversation with him, I was in very poor health, and I did not want to meddle with the thing; and I had no more conversation with him until after the meeting of the Board of Regents in December, when I said to him that the only way for him to reach his case was to reproduce the whole books; and having got permission of the Board of Regents to make a copy of his books, he said he thought he would find on examining Dr. Douglas' annual statements, that he would be credited at certain dates with certain specific amounts, which had actually been paid over in cash to Dr. Douglas, and in that way thought he would be able to have evidence. On examining those accounts, however, after they were copied, he found that there were not a dozen entries for 10 years corresponding with the exact date when the money was paid or corresponding with the amounts; the matter went on for days, weeks, or months, struggling to reproduce all the transactions, and get them all into double entry, so that they would balance. There is a balance of errors at the end column, and one morning, after six weeks' toil, he came to me to my room and he presented me with eight or ten checks, and he told me that during the night it had occurred to him that he had paid some money in checks, and he had never thought of that before; and when the checks were produced it seemed as though they were possibly a clue to certifying some things. Prior to that time checks had never been mentioned.

I wish further to say—and that is all that I think it necessary—that I looked over as the accountants were going forward,—the method in which the accounts were kept was a method I had suggested. I looked over all these accounts as they went forward, and I know, I say solemnly, that there was an earnest, conscientious effort not to misrepresent a fact or a single figure in making those statements; and I will add furthermore—because it is the opinion of some that preachers and professors are only milk-sops and do not know anything about business—that I was accountant in the largest house in business in England, for 12 years, and then went to Australia, and was accountant for a large shipping house there, and their general agent. My business was three millions a year, and I think I know how to keep accounts.

Q. Did you apply to Steward Bennett to be allowed to see certain papers?

A. I did, sir.

Q. What papers?

A. I went to Steward Bennett to ask permission to look into the warrants for one single year, and to see at the same time the account of Dr. Douglas, whether those warrants were credited to the University. Mr. Bennett was exceedingly reluctant to allow me to see it, and finally he allowed me to see the warrant book; and I said, "please allow me to see Dr. Douglas' statement for '73-4;" and he pulled me down some other statement, in which the warrants were charged, and put that before me. Said I, "Mr. Bennett, don't attempt to impose upon me, I want the account for '73-4," then in a whisper he said to me, "one of the Regents has found out that these warrants were not credited, and since that time he has not had any more warrants."

Q. Can you fix the date of that conversation?

A. I am very bad at dates, but I swear that such a conversation took place.

Q. In the stage of events, I mean.

A. The stage of events would be probably near the close of the investigation by the Climie-Rynd committee.

Q. Have you carefully examined and compared the work of Dr. Rose to see if there are any errors? And if so, do you find them?

A. If I had one of the papers I could show you in a moment. This column must embrace the whole of the payments in the laboratory of every kind; then these two columns must necessarily balance, and this third column must balance these every time. There were instances in which sometimes Rose would have met with an error of \$10 against Dr. Douglas, and some cases in which he would have met an error against himself; therefore here are two columns called discrepancies, or as we call them in double entry balances of errors; and throughout the whole of these seven years that he examined, the balance of errors did not amount to more than \$120.

Q. Whose favor?

A. The balance of errors would leave about \$60 in Dr. Douglas' favor, which is a very small balance, being familiar as I am with the work and duties required of Dr. Rose in the laboratory.

Q. Do you remember insisting to Mr. Briggs that he should go and verify specially any settlement marks or crosses that might be on the stub-book and the ledger?

A. Yes, sir; I did.

Q. Why did you?

A. Because I began to discover, as we proceeded, that they were vital, and therefore I was anxious that we should be sure that those were the identical marks that were on the originals.

Q. After the committee consisting of McGowan, Grant, and Estabrook were appointed, did you write a letter to Estabrook on the subject of the defalcation?

A. Never, sir. I would like to see such a letter.

Q. Did you urge the innocence of Dr. Rose?

A. I would say, according to my present recollection,—I may be mistaken,—I would solemnly swear that I am oblivious to ever writing to Estabrook or speaking a word to him in regard to it. There is nothing more certain in my existence that I never did. I would not have dared to.

Q. Did you, pending the investigation of the laboratory, write letters to various persons in the State declaring that you believed Dr. Rose was innocent?

A. No, sir; I don't think I did. If I did write such letters I would own them all, for I did think so, of course. I don't recollect doing it. I was in very poor health, more likely to die than live most of the time, and I was not able to take a part which I felt my conscience and my duty required I ought to take.

Q. Did you say so to Mr. Milard at Adrian?

A. Mr. Milard dined with me at my house once, and I expressed to him my conviction that Rose was innocent.

Q. Did you know Professor Hornel?

A. Yes, sir.

Q. How long have you known him?

A. I have known him for 12 years.

Q. What have been your relations to him?

A. He has been as a friend and almost as a son,—that is to say, I have aided him in various ways in his education.

Q. Did you urge his appointment as professor of chemistry?

A. No, sir; I did not. I urged his appointment as professor of physics.

Q. Was he appointed?

A. No.

Q. What were your previous relations to Dr. Douglas?

A. My previous relations to Dr. Douglas were kind and friendly.

Q. Did your relations change towards him from that time?

A. Not at all, for I was glad my friend was not appointed, and he was glad himself; for when he came over he did not wish to have the place and was grieved at me for telegraphing him to come at Dr. Douglas' request.

Q. What are your relations towards Dr. Angell?

A. Kindly. I would do anything Dr. Angell wished me in any way to please him.

Q. What was the date of the conversation about the checks?

A. I could not give the date. I have an indistinct recollection that it was after we had been going through the work five or six weeks from the December meeting endeavoring to reproduce all the accounts.

Q. Was it before or after the Climie-Rynd report?

A. It was before.

Q. Was it after the December meeting?

[No answer reported.]

After witness leaves the stand, Judge Douglas, having spoken to Professor Estabrook, says he was mistaken with reference to the letter written to Professor Estabrook.

ANDREW CLIMIE—FEB. 14.

By Mr. Taylor :

Q. You were elected Regent in the spring of 1873,—were you not?

A. Yes, sir.

Q. What standing committees have you been upon since you have been Regent, and what positions upon such committees?

A. I was third and last member on the finance committee, and on the medical department, and chairman of the committee on buildings and grounds.

Q. Were you notified of a deficiency in the laboratory accounts, and if so, by whom and when?

A. I was notified of it by Professor Angell, by letter some time in the month of November, '75.

Q. Have you that letter?

A. I have not been able to find it.

Q. Were you present at the December meeting when Gilbert, Walker, and McGowan made their report?

A. I was.

Q. Have you made a careful and exhaustive examination of the laboratory accounts, and if so, who assisted you, and how much time did you devote to the examination?

A. We made an investigation of the laboratory accounts commencing with the fiscal year '64-5 up to the 30th of June, '75, and I was assisted in the making of the examination by Richard Tregaskis and A. N. McAllister as accountants, and to some extent by Regent S. S. Walker.

Q. How much time did you give to your examination of the accounts?

A. We commenced on the 19th of January, '76, with the accountant, and I spent nearly all of my time to the 28th of March in the same year. Mr. Tregaskis spent about the same time, with the exception of seven or eight days in which he was absent at a suit in Detroit. Mr. McAllister, I think, was there between three and four weeks.

Q. Where did you find the books and papers of the laboratory when you commenced your examination?

A. I found some of them with the steward of the University.

Q. What books and papers did you find there?

A. Found some ledgers, some annual reports of Dr. Douglas, and found some of them at the chemical laboratory,—in different parts of the chemical laboratory.

Q. Some ledgers?

A. Some ledgers.

Q. Where did you find the vouchers?

A. Found the vouchers with the steward, or part of the vouchers. I will qualify that: That there were some bills of chemicals and apparatus that I found with Dr. Douglas, or he delivered them to me on my request.

Q. When you commenced your examination did you make a demand upon Dr. Douglas or a request for all books and papers pertaining to the laboratory and the accounts that were kept there?

A. We made a demand soon after we commenced for any books and papers more than we had that he might be able to furnish us.

Q. Did he return any books or papers to you? Did he give you any after that?

A. He made out a statement for the year '65-6, called a duplicate statement, because the original could not be found at that time.

Q. It was afterwards found, was it?

A. I understand that it has been found.

Q. During the examination did you ask Dr. Douglas for any books or any accounts relating to this matter? And if so state what reply he made to you.

A. I asked him for books or papers of any kind upon which I could determine whether I could compute the interest in the same manner that he had in his annual statements, and he said he could not give me any more books and papers than I then had.

Q. Did he state that that was all he knew of, and that he had given you all the books and papers that were in his hands?

A. He did, for that express purpose at that time.

Q. Did he convey to you at that time any impression that he had any private book that would throw any light upon the subject?

A. He conveyed the impression to me that he had not.

Q. Did you have a conversation with Douglas some time in February, '76, about his liability? If so, state what it was and what he said?

A. I had a conversation with Douglas some time in February, in which he said that whenever the committee was able to determine, or whenever I was able to determine the amount of money that should be due from him on the stubs, he would give me a check on the bank to pay it.

Q. On the deposit?

A. Yes, sir.

Q. Were any of the books or papers, the annual statements, or vouchers at the house of Dr. Douglas when you commenced your examination?

Q. The statement that he made in regard to that was that some of the vouchers—disbursing vouchers for bills of chemicals—were at his house.

Q. Have you examined the account of Dr. Douglas and the communication relating to steam heating for boilers?

A. I have.

Q. Can you tell whether or not any commissions were allowed to anybody in that transaction? and if so, to whom?

A. I can tell that there is a charge in the report of a commission being paid Dr. Douglas of \$741.29. I find that in the report. I also find a letter from a party by the name of Towar in regard to the selling of some boilers. The amount charged in the special report of Dr. Douglas is more than the parties claim to have received upon the bill, which is his disbursement voucher for the same. The voucher is on file. I can produce it if the papers are handed to me.

Q. Do you know whether or not the committee of the Regents ever authorized the payment of these commissions?

A. I do not. I have not been able to find any record of them in the proceedings.

Q. I understand you to say that you don't know whether they did or not?

A. I said I did not. I was not able to find anything which I consider a record of the allowing of that commission.

Q. Do you remember of any such thing during any meeting of the Board?

A. I was not a member of the meeting at the time this steam heating was put in.

Q. In your examination as with the committee, why did you deduct the commissions which Douglas had charged?

A. I deducted them in the report because I could find nothing in the proceedings of the Board which authorized the payment of them, or could find no report stating that they had been paid, and that the reports had been accepted. I find in the special report, or under the heading of that account of "Silas H. Douglas against the University," "To Towar & Co., \$2,486, voucher number 29."

Q. That is in relation to the boiler?

A. Yes, sir.

Q. Have you the bill?

A. The disbursement vouchers are in the package. I find a bill from Towar & Co., with their credit "by draft" of "\$2,400," making a difference of \$86.

Q. What reason have you to suppose that Dr. Douglas received more than this \$86 commission?

A. I find a letter in which they offer to sell the boilers for \$2,400, deducting ten per cent; but I am not able to say that he received any percentage upon that. The letter can be construed both ways. That is to be found in the file of letters. That question I leave to the committee, and they can draw their own conclusions. I prefer not to give a conclusion upon that.

By Mr. Newcomb :

Q. Did you find any other vouchers?

A. I have not been able to find any other vouchers except the draft for \$2,400.

Q. What are the items that go to make up the \$104.25 in the account of '67-8?

A. I have made a statement of what I supposed to be the items. The method of keeping the books where the items are entered in a lump. It [?] is not a matter that I can testify directly to; but it was a mere matter of conjecture with me to make up delinquent accounts that would otherwise be delinquent, that they were accounted for in the names that we make out: Burnett, \$10, Austin \$10, Lyman \$10, Isgrig \$10, Maynard \$1.40, Briggs \$10, Smith \$10, ——— \$10, Brainard \$2.85, C. Ward \$10, Welsh \$10, Williams \$10.

Q. Can you show that Dr. Douglas does not give the correct explanation of this \$104.25?

A. I can show from my report—I would have to know what his explanation of it was. I could make a statement that it would embody the same thing; make a statement of the mode of commencing and figuring on the basis on which I made my report, showing the delinquencies that actually occurred.

Q. Go on with it.

A. We commenced in the year '64-5, after the preliminary work, and found the amount received from students \$2,108.25, and a balance brought forward from the former year of \$394.05; a report from the former year of \$37.06; reported from sales of chemicals and apparatus, \$57.22; certificates of students, \$10; making the total amount received in that year, \$2,614.58. If the committee will prefer, I will refer to the book itself which was made up, from which this statement was taken, instead of taking the report. After making up the statement, as you will find it in the book as being a correct transcript of the ledger,—in taking Dr. Douglas' annual reports, we found what we assumed to be delinquent accounts, accounts which were not reported for up to the 30th of June of that year. That year we found card vouchers; I examined the card vouchers in detail, and had Dr. Douglas' assistance. He assisted me in finding out whether we could not absorb that delinquency by actual examination, and we found the account of A. Purdy, for \$9.28; and the account of J. F. Aris, for \$5; and the account of A. Purdy, for \$.52; and the account of Bennett, \$14.92; and the account of W. J. Clifford, \$10; and the account of William Tibbetts, \$17.10; making a total delinquency of \$57.02 during the years '64-5. Those were names that were not reported that year. I found in continuing my report that in the subsequent year the name of Bennett for \$14.92, and a blank account for \$17.10, which I considered the proper amount of Tibbetts' account, reported in the next year, and the next year he would get the credit for it; and in making up the basis of my report, as I made it in March, I brought forward the amount which had not been reported in the former year, \$37.06; and the report that I made out in March, closed up, making the settlement at the 30th of June each year, leaving any matters which might be reported delinquent one year and afterwards paid in, to be paid in the year in which they were actually paid. The first delinquency that this committee found was in '64-5, for that was the year that we commenced on; \$57.02—

Q. Did you offer to show the McGowan committee in June last this \$104.25? and if so, did they permit you to do it?

A. I offered to show them my solution of the \$104.25, and that it could not be this delinquency of \$64.05, for but a part of it could occur in the delinquency of '64-5, and that the actual delinquency in '64-5 was \$57.02, and that would have to carry it back into the year '63-4, which was prior to the com-

mencement of the \$37.06, which would have made the delinquency in that year \$62 and some cents.

Q. Did they permit you to show it?

A. No, sir.

Q. Did they give any reason why they would not?

A. No, sir. I offered Grant personally and McGowan personally to show my explanation of that matter, and they declined to hear it.

Q. Did your committee find any delinquency for the year '65-6?

A. Yes, sir.

Q. How much?

A. We found a deficit for the year '65-6 of \$208.21.

Q. Can you tell what constitutes that deficit?

A. I can.

Q. State fully.

A. G. S. White \$26.60, F. M. Smith \$43.81, F. C. Brock \$10, A. H. Champlain \$10, J. W. ——— \$4.20, O. W. Fisk \$2, C. A. Miller \$1, C. R. Wells \$0.02, A. Gilder \$2.20, C. H. Allen \$10, H. W. Hessinger \$14.95, F. M. Wilder \$13.45, A. H. Scott \$24.90, F. B. Frost \$29.25, F. M. Smith \$6.15, T. A. Burrell \$6.40, H. C. Kibby \$3.19, R. S. Node \$1, I. B. Frost \$3.20; making a total of \$208.20 not reported up to the 30th of June, '66.

Q. Were those stubless accounts?

A. Those were the year in which they had the stub vouchers.

Q. Was any part of this in Dr. Rose's time?

A. In the spring of 1866, Dr. Rose entered the laboratory, I should judge by the entry of "P. B. R." on the ledger, and also the information that I had gleaned from looking up the accounts in his handwriting. I think the entries in the ledger accounts about the first of April or the latter part of March, 1866, are in Dr. Rose's handwriting.

Q. Did you find any part of this deficit occurring after Dr. Rose's time in the laboratory that year?

A. The committee of which I was chairman were not as matter of fact a committee that had undertaken to solve that question. The October resolution—

Q. It don't make any difference what you were appointed for; I want to know whether you ever found such a thing or not?

A. Yes, sir; I have. I did not do it as a member for that committee,—as part of my committee work.

Q. What part of that deficit occurred before Dr. Rose's entrance into the laboratory?

A. As near as I can determine from Lewis' handwriting and Rose's,—and Lewis' is very easily distinguished,—there would be from \$58 to \$65 occurred before Dr. Rose entered the laboratory.

Q. Of this deficit \$208.21 occurring in the year 1865-6, did Dr. Douglas ever account for any portion of it afterwards? If so, state how and when.

A. Allow me to make an explanation. This is the year which I stated before was the year in which this original annual statement of Dr. Douglas could not be found, and during the investigation of the committee of which I was chairman this matter was not found. I understand it has since been found, changing somewhat the amount; but from the books and papers that we had at that time, that was a deficit.

Q. Has he ever accounted for it since? and if so, state how and when.

A. He accounted for F. L. Brock in '66-7, and for Hessinger, \$10 of his account, in '66-7, and for Frost \$18.50 in '66-7.

Q. Does that fairly account for the deficit?

A. It leaves a deficit in that year of \$169.71 of delinquent accounts.

Q. That has not been accounted for?

A. Not that I can find any record of.

Q. For the year '66-7 do you find any deficit?

A. I find a deficit for the year '66-7, but I would not be able to go on through those years, from the fact that this same book, which was the work of the committee of which I was chairman, has been used by a committee that drew different inferences from the same figures than what I did myself in making up my report, and I could not carry it along through the different years; for these changes have been made upon the book, and I have not been conversant with the reasons for all of them, and cannot determine it in that regard.

Q. Haven't you some data to cause your conclusions?

A. The conclusions that I made up my report from, to which was attached a tabulated statement (which you will find on page 17 of the March meeting) gave the deficits as we found them up to the 30th of June, '75, which were taken from this book; and as I stated, the book has been used by another committee subsequent to mine, and I have not had the chance nor the time to carefully sift out the matter so that I would be able to carry through the other years. The first year I have made myself perfectly conversant with, and could give you the names from recollection.

Q. What year?

A. The first year '64-5. I can give you the names from recollection of the deficiency account.

Q. Of any year after that?

A. There is a memorandum here in this book,—a memorandum that is attached to this book—of the deficiency, which is the memorandum that I was guided by in making my report. I had to make it out, help to check it off, and look up the vouchers myself.

Q. They differ from the results of the subsequent investigations, as I understand it?

A. Yes, sir.

Q. Can you point out some of the differences between your report and the subsequent report?

A. I can point out the differences in the year '74-5. Mr. Tregaskis and myself working together made the delinquency in that year \$1,418.68. In the year '74-5, the subsequent committee made it, as I find it from their report, \$95. The tabulated statement I find on page 35. They make the total delinquency account for that year of \$95.55.

Q. What is the difference between the two?

A. \$1,323.13.

Q. How do you account for that?

A. Because after the trouble commenced there was money paid in. Dr. Douglas paid in money and Dr. Rose paid in money, and the McGowan-Grant committee owned to me they carried the money that was paid back into the year before. They claimed that it would not be a delinquency if it had ever been paid afterwards. That ran along two, three, or four years. If it was an account that you could trace up to the time that was paid, they would not consider it a delinquent account. That was the statement they made to me.

Q. Was this money paid after the discovery of the defalcation?

A. I am not able to say. It was not reported up to the 30th of June, '75, when the labors of the committee of which I was chairman terminated. It was not placed into our hands to work up. The report was in the hands of Mr. Bennett, and we only went to the 30th of June, '75, with our report.

Q. Examine the annual report and see when that was returned.

A. I find a report dated October 1, '75, which I find among the annual reports, in which there is an amount of \$831 paid over from Dr. Rose, and a large number of accounts from students, moneys received from students; and I find an item of sundry deposit checks of \$1,868, [and] quite a number of items,—I would have to foot them up,—of forfeitures. My understanding of the matter was that this amount of money had been carried back into the year in which the date was made by the student. I could not give the exact basis of that matter without figuring it out. If I could take a little time I could give you the exact figures as I made them at that time. I do not find the record, as I say the book has been used by another committee, who drew different conclusions, working at different things.

Q. When did the report for the year '74-5 come into the hands of the Climie committee?

A. I think the reports were with the annual reports in the steward's hands; that our report only took our work down to the 30th of June, '75.

Q. When did the report for the year '74-5 come into the hands of the Climie committee?

A. I say they were in our hands at the making of our report, but we did not carry on the work further than the 30th of June, '75, leaving it for another committee to complete the work.

Q. Was the report there when you commenced your work?

A. I could not say positively in regard to all of them. [—?] is a report that is dated October 1, '75. That was there part of the time and part of the time it was not. There was a duplicate report put there, and I ordered the original report brought back, and it was brought back.

Q. Who brought it back?

A. Mr. Bennett handed it to me. He said Dr. Douglas brought it back.

Q. How did the duplicate report compare with that?

A. There was not a very great deal of difference. There were some items of disbursements that had been collected, as I understood, and that was the reason they had changed the report.

Q. I notice in your report that you throw out the charges of interest which Dr. Douglas had made in his annual statement. Will you tell us why the committee did not give Douglas credit for those charges?

A. I asked Dr. Douglas if he could give me the time upon which he had charged that interest, or give me some data upon which I could make a computation of interest, to see whether he had charged too much interest, and he said he could not more than we had. After asking him several times, and being present when he was asked the question by other members of the committee, I concluded to take the ledger and draw up a table, which you will find in the back part of this book. Entering upon this table the different months, commencing with the first of July and running through until the first of July of the next year, and entering the amount paid in by each student, and footing them up at the end of the column, then taking the disbursements that Dr. Douglas had paid out on the same plan, I find that with the exception of one

year—during the year in which we carried it forward: I could not tell you now how many years we carried it forward, but we carried it forward—there was a large balance due the University from the laboratory with the exception of one year. There was always money in the laboratory belonging to the University to meet those disbursements. Dr. Douglas said to me that he settled up with Dr. Rose once in every two or four weeks, and received the money that he had in his hands; and we made a monthly statement showing the amount of money received; and the majority of the committee came to the same conclusion that I did,—that if he could get the money from Dr. Rose and it was there, that he should have it and not charge the University interest; and we consequently threw out the charge of interest.

Q. You treated it as though it had only been received on the last day of the month?

A. I treated it as though it had all been received on the last day of the month, taking the ledger as a guide.

By Mr. Phelps:

Q. Did you take into this account the stubless and forfeit accounts on the ledger, in this computation?

A. In the statement of the committee at the March meeting we took all moneys that the ledger showed had been received into the laboratory as money in the laboratory belonging to the University.

Q. Did you do that in all years?

A. Yes, sir; this book is an abstract from the ledger.

By Mr. Taylor:

Q. Please take the annual statement of Dr. Douglas for the year in which he makes his largest charge of interest, and show the committee wherein he was wrong or erroneous.

A. I find in the year '69-70 that Dr. Douglas charged \$88.62 interest, in the year '69-70, according to our method of computation, which is a direct transcript of the balance brought forward from the former year and the receipts of the laboratory. There would be a balance of money on hand in the laboratory every month in the year, and consequently we deducted the amount of interest.

By Mr. Phelps:

Q. What average balance?

A. I would have to work over these figures. There was a balance on hand every month in the year.

By Mr. Mills:

Q. Was the balance on hand at the commencement and close of the year?

A. I am not prepared to answer that question from my own knowledge. I would have to take it from Dr. Douglas' annual report. It is not the basis of the report I made. I am not prepared to answer the question as to the balance on hand at the commencement and the close of the year.

By Mr. McArthur:

What would have been the balance of interest against Dr. Douglas if you had charged him interest?

A. That is a matter I did not compute.

By Mr. Taylor :

Q. Assuming that the annual statement was correct as to the money received and paid out by him, do you find any improper charge for interest?

A. I have made my statement why I threw out the interest.

Q. Assuming that his annual statements are correct as to moneys received and paid out by him, do you find any improper charge for interest?

A. I was not able to find the data to compute it, nor have I found it now, so that I cannot answer whether it is improper or proper.

Q. Do not the reports show on their face the basis upon which interest is charged?

A. Not all of them.

Q. Do they generally?

A. I should think it was about half and half—just to make an estimate of it.

Q. Can you point out one that does?

A. Here is one that gives the amount upon which interest is charged, but does not give the time,—the year '69-70.

Q. Whether, taking the data into report, you could not make out how that interest is charged, and whether he is entitled to it or not?

A. No, sir, I could not.

By Mr. McArthur :

Q. Could you have done it by using this University book?

A. That University ledger has the students' accounts.

Q. I mean this scratch book.

A. I never have examined that. It was not produced before committee of which I was chairman.

Q. Look at the report of '74-5 and see what interest is charged from October 1 to December 1?

A. I could not tell from looking at the report. I find it charged with interest of \$309.19, and I understand that the interest was computed by items on the debit and credit, and the balance of interest was charged up to the University, being \$309.19. I never have verified the figures myself.

Q. If you have the dates of the payment to Dr. Douglas and the dates of payment or disbursement, could you ascertain the interest?

A. Yes, sir.

Q. Is there an absence of such data?

A. I have so stated that there was an absence of such data.

By Mr. Hinchman :

Q. Did the Regents ever authorize Dr. Douglas to run the laboratory in debt?

A. I could not say.

By Mr. Kelley:

Q. Did they to your knowledge?

A. Not to my knowledge.

Q. Will you state whether or not Dr. Douglas made any report of forfeited accounts for several years in succession?

A. That matter has been a subject that I looked over for my own information, not as committee work; but I do not find any forfeited accounts reported for three or four years.

Q. What years?

A. I think they were 1868-9, 1869-70, 1870-1, and 1871-2. I am not positive in regard to that matter, but that is my impression upon recollection.

Q. Did you find any report for several years before, until after this difficulty commenced,—that is, for several years prior to the time this difficulty commenced?

A. We found some in the last report for '74-5.

Q. Had Dr. Douglas since this trouble commenced accounted for or returned forfeit moneys the prior years? If so, what amount for each year?

A. He did, but I am not able to say how much for each year.

Q. How do you know he did?

A. Because, we found accounts that were delinquent accounts,—the same amounts and the same names reported which I have accepted as evidence that he did.

Q. In relation to paying stub money that your committee might find in Dr. Douglas' hands, what did Dr. Douglas say about keeping it still?

A. He said to me that it was not the amount of money that would be in dispute in regard to the matter, but he did not like that I should make it public, because he thought it would be a disgrace to himself and his family, and requested me not to say anything about it to the public.

By Mr. Phelps :

Q. That is, the stubless accounts?

A. That is, the money which would be due him on the stubs that have the letter *D*.

Q. Did he ever offer to give you a check for it?

A. He said prior to that, when I determined the amount he would give me a check on the bank for the amount of money.

Q. You drew the report of the Climie committee,—did you not?

A. I did.

Q. What was the theory upon which you made that report?

A. I took the amount of money that had been received in the chemical laboratory as found by an abstract of the ledger, and I got the amount of money which had been disbursed by Dr. Douglas, except errors in footing,—what I concluded to be errors upon my investigation. On both sides there were errors in footing, and errors in charging of interest, and errors in charges of percentage or commission.

By Mr. McArthur:

Q. In what years did you find in your judgment that interest ought to have been allowed to Dr. Douglas? What where any such years?

A. I found in one year that the disbursements exceeded, during part of the year, the receipts of the laboratory.

Q. On your system of figuring receipts at the end of the month?

A. Yes, sir.

Q. Was that near the amount charged by Dr. Douglas?

A. It was somewhat less than the amount charged by him.

By Mr. Taylor:

Q. You spoke of errors a little while ago: on which side did those errors predominate,—for or against Dr. Douglas?

A. I should have to qualify that by making a statement as to some conclusions that I arrived at.

Q. Make the statement.

A. I found in the year '66-7 an error of \$180,—an error of even \$100 in another column, and of \$80 in another,—in the footings of the moneys that should have been credited to the University. I found in the year '67-8 an error in the footing of \$20 to the credit of the University. I do not know as I make myself plain in speaking of that: It should have been to the credit of the University. I found in the year 68-9 an error in the footing of \$241.10. Those are against the University each time. There was that much more money received according to his annual statement than he reported.

Q. You mean reported by the footing of his statement?

A. Yes, sir. These errors in footing, as I explained, had nothing to do with the statement upon which we based our calculations of the amount due from the laboratory, or from Dr. Douglas to the Regents; simply showed them in that manner from the form of making up the amount of their report. For instance, in the year '68-9—according to the abstract that we have of the book and the correct balance from former years, he reported from sales of chemicals, apparatus, and certificates to students, the total amount received would be \$8,598.46. Dr. Douglas reported that he received \$7,178.10, and there is an error in his footing of \$241.10, which made the actual amount to be reported \$7,419.20 if it had been properly footed.

Q. Dr. Douglas accounted to the board of Regents for which amount?

A. He accounted to the board, as I understood, for the footings of the report. There was also an apparent balance carried forward in 1870 of \$390 more than the footing of the bill of the prior year appeared to be, which I did not treat as an error from the fact that it made no difference in the basis of my report what Dr. Douglas carried forward. The reason I did not treat it as an error is from the fact that these annual reports, as I understood when Dr. Douglas made them, went into the hands of the Board of Regents; and when he made up his report again the next year he would take items that he made that report up from, from his book, and it was something that I could not explain,—was not able to determine; and not affecting the basis of the report which we made, I made no account of it in making up my report.

Q. Do you find any errors on the other side?

A. I find, in examining the ledger statement, that he received from Benjamin, the wholesale house, New York, dealer in chemicals and apparatus, a credit to the University of Michigan by Dr. Douglas, cash \$266, which I do not find, in the investigation that I gave, that he had ever charged to the University.

Q. Did you find the bill?

A. I am not certain whether I found a bill or found a letter referring to it. The ledger statement from E. and P. Benjamin I saw, and was not able to find where he ever charged it to the University.

Q. Did you find any other errors?

A. I think I found errors in two small vouchers or disbursements that I could find no corresponding interest in his statements. I desire to make a statement in regard to this business of errors, if the committee will permit me. With the exception of the errors, which I termed errors of interest and errors of commission, that have been charged, for which I could find no report, these errors, in footing, made no difference in the report, as I made it, of the amount of money due, from the fact that I only exhibit that as showing the difference between the actual amount of money received in the laboratory and

the actual amount reported by Dr. Douglas, taking the actual amount that you derive from this ledger transcript as the basis of our work, and not the report of Dr. Douglas. I simply exhibit it to show the differences or the errors that were made in footing.

Q. Did you make this statement as to Dr. Douglas requesting you to keep the matters of deposit money secret to the June committee? And if so, to whom?

A. I think I did not.

Q. Why not?

A. It was a question on which I supposed there was no dispute at that time, and did not affect the materiality of their investigation.

Q. Had this charge been previously made by Mr. Beal in the Ann Arbor Courier?

A. I am not positive in regard to that.

Q. Did you make any statement to any member of the committee, privately, that the charge was not true?

A. I don't know what the charge was in the Ann Arbor Courier.

Q. Did you state to any member of the committee what you have stated now was not true? Did you so state to Grant, or McGowan, or any one else?

A. I did not.

Q. Did you communicate that fact to any person about that time?

A. I did, sir.

Q. To whom?

A. I did, to Dr Rynd.

Q. Anybody else?

A. I have no recollection of having communicated to any one else; and I will say further in explanation, if the committee will permit me, that when I met with the McGowan-and-Grant committee, they said to me that they should hold Dr. Douglas responsible for the money represented by the letter *D* upon the stubs.

Q. How many boilers were received of Towar and placed in the laboratory, and what changes have been made since in relation to the boilers?

A. I am not able to state how many boilers have been received and what changes have been made.

Q. How many are there now?

A. I think there is one boiler in the laboratory.

Q. The bill of Towar is for two boilers, for \$2,480; Douglas charges the University in his report \$2,486,—does he not?

A. That is as I read the statement which I found in the steam-heating report.

Q. The letter shows three boilers and the invoice of two boilers sent to Douglas, but the voucher is for only two boilers; is it not true that by a fair construction of the letter two boilers or invoices were inclosed in this letter; one for two boilers furnished to the University, and one for a six-horse-power boiler not sent to the University.

A. I decline to place a construction on the letter unless the committee insist upon it.

By Mr. Hinchman:

Q. Do you know anything about the three boilers?

A. I do not. All knowledge I have of the purchase of those boilers at that

time I derived from the bill, which is voucher 29. As a matter of explanation I desire to say again that this was before my connection with the University as Regent.

By Mr. Taylor :

Q. Do I understand you to say that the two boilers were procured for the University?

A. I said distinctly that the knowledge I have of this transaction was in looking over these bills and finding this discrepancy which I have not been able to reconcile from any investigation I have made.

Q. Have you any knowledge of the boiler having been procured?

A. I was not a Regent of the University at that time.

Q. You don't know whether one boiler or three at that time were purchased?

A. No, sir.

By Mr. McArthur :

Q. Is [there] \$86 difference between what was charged and what ought to be charged?

A. That is a question I asked the committee to excuse me from answering, because I have derived my information from the papers I introduced.

DR. DOUGLAS RECALLED—FEB. 14

Witness.—I desire to say with the reference to this matter of the Portable Steam Engine Company's bill, that I find on examining my book I have it in two shapes. The \$6 is undoubtedly the exchange on the \$2,400 draft. Now, I placed all these papers in the hands of the original auditing committee, the letter of the Portable Steam Engine Company and the bill which was for \$2,400, and also the draft of Duncan, Sherman & Co., which paid this bill. My own impression is that it must have been purely a clerical error. I took the \$2,480 and added the exchange without looking at the bottom of the bill. It must have been a clerical error, because at the same time I filed both the letters and the draft on Duncan, Sherman & Co. that paid the bill. They are all here together, and also will be found in the files of the Board of Regents,—the letters and correspondence that accompanied this whole business transaction. Everything will show for itself, if you will get the copies of the letters. I have no doubt they are here, and my letter book will speak for itself. The draft is here. I am quite sure it was a clerical error of precisely the same nature I may say of Benjamin and others,—errors in a long course of business transactions. Of course I am not above those.

By Mr. McArthur :

Q. You say the error would have been just \$80?

A. Yes, sir. The \$80 is a discount they made. There was no intention on my part, for I surrendered the vouchers as they were delivered to me,—the draft and the correspondence in connection with it. It was an error of mine and an error of the committee that audited it, beyond all question. There is no doubt but that it was an error.

Q. Did you purchase two or three boilers?

A. I purchased boilers at different times from these parties. I think that I purchased four boilers from this establishment.

Q. At this time?

A. At this time I don't remember whether I purchased two or three; I think it was two.

Q. How many were furnished the laboratory?

A. Two only, I presume. There are three boilers in the laboratory, or rather two boilers in the laboratory that came from this establishment.

By Mr. Taylor :

Q. How much was paid for the six-horse-power boiler?

A. I don't know. I perhaps can answer that to-morrow by looking it up. I purchased one small boiler. Two boilers I purchased of these same parties for the gas works.

Q. Was there an invoice for that six-horse-power boiler?

A. I have no doubt it is in the gas company's book. Two boilers went to the University, one of them is still in use and the other has been substituted for a larger boiler.

Q. Was there any discount on the two boilers that went to the University, or was the 10 per cent discount named in the letter all upon the six-horse boiler that went to the gas company?

A. The discount should have been on the University boiler, beyond all question, as well as the one that went to the gas company.

Q. 10 per cent of \$2,400 would be \$240?

A. I don't know. \$240 is what I forwarded to them. The draft and everything will show for itself. If the committee wish I can get the affidavit of those parties, or the committee can get it. The deduction is not what they purport to deduct. The whole correspondence is there as to what bargain was made in advance, if I remember correctly.

By Mr. Hinchman :

Q. The 10 per cent you failed to get?

A. I don't recollect about that.

By Mr. Kelley :

Q. You purchased two boilers,—one for the laboratory, and the other one for what department?

A. One for the laboratory and one for the law department. I may have purchased three for the laboratory; I don't remember.

Q. Did you purchase the six-horse power?

A. Yes, sir.

Q. What was that for?

A. That was for the laboratory; but whether it was purchased at that time—my recollection is that it was not.

Q. Do you recollect what that steam boiler cost?

A. I do not.

Q. Don't that refer to ten per cent upon the small boiler as commission to you as an agent?

A. I don't know; perhaps so.

Q. Do you recollect whether the three boilers were to be \$2,480, or whether the boilers were?

A. By reference to the gas company's books, which are here, I can find out more with reference to that other boiler.

Q. Look at that letter and see what you can determine from that with reference to whether that \$2,480 was to pay for three boilers or two.

A. That bill in connection with the letter shows \$2,400 paid for the two. I

would not remit myself for the gas company's boiler; it would go through the gas company's office.

Q. What does it mean by ten per cent. of the six-horse-power allowed to you as an agent?

A. I am not an agent of theirs.

Q. Does not the letter so state?

A. It says ten per cent. from the list price. I do not know what the list price is.

Q. Does not the letters refresh your recollection as to the six-horse-power boiler? If I understand you rightly, the six-horse-power went to the laboratory?

A. No, sir; the small boiler, I think, went to the gas company. I am not quite positive, I say; it may have gone to the laboratory, but I think not. I can tell by referring to the gas company's books.

Q. Is that bill for two or three boilers?

A. This bill is for two boilers,—one 35-horse boiler and one 40-horse boiler. The list price—I think I can explain that. The discount was made on the list price.

Q. That bill does not show any discount?

A. No, sir. I think this must be made net without a discount. They bring me in debt here \$80. I don't know but I remitted it by sending home and getting the catalogue price, and then seeing whether it is a discount on that, or sending to those parties, I think I have their list. I could ascertain whether that was the discount. The \$80 is not a ten per cent discount, but it would be \$240. I know this,—that I received no benefit whatever from it.

Q. Do you suppose you paid that \$80 subsequently?

A. I think I must have paid it. Perhaps my letter book will show whether I did or not.

Q. It would have appeared in some subsequent report?

A. No, sir. It would all appear in the same item on my account if I have paid that \$80.

Q. You have charged the \$80?

A. Yes, sir; that is the reason, perhaps, I have charged the whole.

Q. You have not charged the \$80 anywhere else?

A. No, sir; I think not; I think I am right. It had a little awkward look, but I guess it is all right.

Q. I don't see where you get the ten per cent?

A. The 10 per cent would be on the list.

Q. Will you please tell me whether the 35 or 40-horse-power boiler went to the University?

A. The 40-horse-power went to the laboratory and warmed the laboratory and Medical College, and the 35-horse-power went to the law building.

Q. Was there a six-horse-power boiler bought by you of these parties at the same time?

A. I can only judge from that letter.

Q. What is your opinion?

A. I think there was a six-horse-power boiler bought.

Q. Can you state whether it is a fact or not that 10 per cent commission allowed you was applied upon the payment of the six-horse boiler, and is not that what is meant when he writes you that letter?

A. I don't think it is.

Q. It says the invoice for three boilers. "We have, as you will see, given

you the benefit of 10 per cent on the list price on the six-horse-power, as is our custom to our agents; and in view of the amount of business you have given us we think you are entitled to it, and therefore cheerfully make the deduction. We hope you will be pleased with the boilers, and shall be pleased to hear from you."

Q. Can you recollect in that letter whether that is the fact or not?

A. Possibly they may have given me 10 per cent on that small boiler; it was a boiler which cost \$200 or \$300.

Q. Why should they not give you 10 per cent on the large boilers?

A. I got the best rates I could from them.

Q. All bought about the same time,—were they not?

A. The correspondence will show for itself.

Q. Haven't you any recollection on the subject?

A. I have no recollection. I may recollect about it by examining the gas company's books.

By Mr. Mills:

Q. Was not the small boiler in the laboratory purchased in Watertown, from the Portable Steam Engine Co.?

A. Yes, sir. I received bids for those boilers from Chicago, Detroit, and Watertown.

Q. How much did the small boiler cost?

A. Probably \$200 or \$250.

Q. Was that in consideration of the business you did before for the University they might have made 10 per cent. discount of the \$200?

A. It is possible they might.

Q. Did not the small boiler cost \$800?

A. No, sir, never. It is a little boiler about two feet through, and six feet high.

Q. Why give discount on the six-horse boiler and not on the 35 and 40-horse boiler?

A. That Portable Engine Company can better answer than I can. I made the best bargain I could, and received no personal benefit from it whatever.

Q. Was not this small boiler purchased at the same time as these two large ones, for the basement of the laboratory?

A. I am not positive about that. I can only tell by referring to the bills and correspondence; I think it was not. I think I can decipher it with all the correspondence and everything pertaining to it. I had no benefit from it.

CHARLES H. RICHMOND SWORN.—FEB. 15,

By Mr. Taylor:

Q. Where do you reside?

A. In the city of Ann Arbor.

Q. How long have you resided there?

A. Over 16 years.

Q. What is your business?

A. I have no settled business.

Q. What has been your business?

A. I have been banking and in the real estate business.

Q. Are you a bookkeeper?

A. I have had some experience in keeping books, and some in examining books kept by others.

Q. You have heard of this trouble in the laboratory department?

A. Yes, sir.

Q. Are you acquainted with Dr. Douglas?

A. Yes, sir.

Q. Dr. Rose?

A. Yes, sir.

Q. Have you examined these records, books, and papers?

A. I have examined some of the books and some of the papers: made no general examination.

Q. What books and papers have you examined?

A. I made an examination, not a thorough one, of the stub-books,—what I understand [to be] stubs of the original certificates, and to some extent the reports of Dr. Douglas.

Q. For what years?

A. I think from '64-5 up to '74-5.

Q. Who employed you to examine those?

A. I think in the month of June, '76, Dr. Douglas requested me, not to make any definite examination, but to look at the stub-books,—the stubs of those certificates. The stubs I think are here on file.

Q. Did you ever ascertain how many stubs had the word "canceled" written across them?

A. I could not answer for '66-7. I think I made a critical and careful examination for one year.

Q. How many did you find?

A. I think in the college year '66-7 I found 99.

Q. Did you compare the vouchers that accompanied the annual reports made to the Regents, and check them off with the reports?

A. The vouchers for one side of the account with the reports,—what was shown to me as the reports of Dr. Douglas, and what purported to be on their face to be the reports of Dr. Douglas to the Regents,—on one side what was shown to me as vouchers, certificates showing the amount received on the credit side of the report. Those were the only vouchers that I examined. I made an examination of those and checked them off with the report. I made a tabulated statement, or condensed statement of each year, I think, from '64 including '74-5, on that side of the account. Other vouchers I made no examination of. I never saw any on the other side the disbursements. I think that statement was here on file.

Q. Is it in your handwriting?

A. Yes, sir.

Q. When did you make it?

A. In April or May last.

Q. Did you ever examine to see how much deficiency there was in the laboratory accounts?

A. No, sir; I never saw a ledger of the laboratory until they were in the hands of this committee.

Q. You don't know how much the deficiency is for any one year?

A. No, sir.

Q. Were you ever employed by Governor Felch to examine these accounts?

A. I was employed by Governor Felch, I think, for a week or ten days pre

vious to the meeting of this committee. I know I had not completed the work that he employed me to do when this committee came to Ann Arbor. He employed me to make out certain papers for use, as I understood him to say, in some case with the University against Dr. Douglas and Rose,—something of that character, in the University suit. I may say I did not complete any of those papers. They were merely condensed statements,—tabulated statements.

Q. When were you first employed in regard to those papers?

A. I think it was in April or May of '96, previous to the meeting of the Board of Regents in June, by Dr. Douglas. That was the first employment.

Q. When you were employed by Governor Felch [where] were you to examine the papers.

A. At his house.

Q. Who was with him?

A. The Governor was there. It was in his office, in his house. I do not know of anybody being there except the Governor. I think Dr. Angell came in there, but [to] have no reference to any examination. Dr. Douglas came in there. No one else that I recollect of that had any reference to the papers or anything connected with them.

Q. Did Governor Felch know at the time, or did you make him aware of the fact, that you had been engaged by Dr. Douglas in looking over those papers before that?

A. No, sir.

Q. What work did you perform for Gov. Felch?

A. Perhaps I may better state the circumstances. The Governor came to me and said he wanted some transcripts made, to be used as exhibits in this suit, and I went to his office and he stated what he wanted. I said to the Governor, to make out such a transcript as you desire, I shall want certain papers. He says you know what you want, and I will give you an order; and he gave me a written order, which I took to the steward, Mr. Bennett, and I supposed Mr. Bennett sent the books down. There was really no book of the laboratory except these transcripts from the ledger made by Mr. Tregaskis, and the stub-books, Dr. Douglas' annual reports, and the vouchers I have alluded to, for one side of his account. I think that was substantially all the papers that he had. Those were all that I required. They were sent there and taken away by the other parties. I knew nothing about the matter further than that.

By Mr. Kelley:

Q. Did you have any conversation with anybody before you went to see Gov. Felch in reference to those books and accounts?

A. I don't recollect. I think that Dr. Douglas spoke to me in reference to making out a paper for him from the stub-books, which I did. I went up to Mr. Bennett's. I guess it was taking something from the stub-books; I don't recollect now.

Q. Was it for the purpose of ascertaining the amount of deposits as shown by the stubs?

A. No, sir.

Q. What was it?

A. My impression now is that there was no amount claimed. I guess it was either for the purpose of seeing how many red-lined stubs, or how many—

Q. How many days did you work at it that time when you were employed by Gov. Felch?

A. I went up to his house with him on Friday, and I think I told him I would

come up again on Monday if that would answer; and he said it would. I think from Monday until Friday or Saturday.

Q. About one week you worked, then?

A. Yes, sir.

Q. Is that the only paper you made, the statement?

A. No; that was not made at that time. The statement I made then—I say I had not completed the work. I have drawn off those statements, and have reserved them for checking and comparing with the principal books,—those that would be proper to check over.

Q. How much did you charge for that service?

A. I do not know that that is a pertinent question. I will answer that out of respect to the committee. I never had the question asked me before, and I never made up my mind about the charge.

Q. Who do you expect to pay you?

A. I expect to get my pay from the person who employed me.

Q. Who employed you?

A. Gov. Felch.

Q. Did you have any conversation with any one else?

A. I might have said the parties who employed me would pay me.

Q. You say Dr. Angell frequently came in there?

A. Dr. Angell came in there in the afternoon. He might have come in there twice.

Q. What was the course of conversation when he was present?

A. It was nothing relating to these papers. I think Dr. Angell came in there with some stubs.

Q. Was not the laboratory deficit referred to?

A. No. Not in particular in any way.

Q. You were working in the same room with these books and papers that you have mentioned when he was there?

A. Yes, sir. He was in Gov. Felch's office, right in his room.

Q. You were preparing a statement to aid the Governor in putting in an answer in the suit?

A. That is what I understood it.

Q. That answer was put in for Dr. Douglas.

A. Not that I know of.

Q. Did not you know for whom the papers were being prepared?

A. I did.

Q. Did you know what use was to be made of them?

A. They were to be used by Governor Felch in the suit.

Q. You say Dr. Douglas came there?

A. He came there.

Q. Was the laboratory deficit referred to in his presence?

A. It would be difficult for me to say whether it was referred to or spoken of,—what we did while Dr. Douglas was there. I was making out a paper for the Governor, especially.

Q. From what?

A. From the books I had there,—books and papers.

Q. Did you make out nothing from the statements of Dr. Douglas while the books were at Gov. Felch's house?

A. That one.

Q. Did not you have a conversation with Dr. Douglas before those books were taken there with reference to making out that statement?

A. No, sir, I had a conversation with him with reference to making the statement which I allude to from the stub book.

Q. He never asked you to do that before the books were taken there?

A. No, sir.

Q. What was the result and object of your work?

A. I have stated the object, and I have stated the result.

Q. What did you do?

A. I don't know that I am able to make it clear[er?].

Q. Was it summed up in the schedule that was attached to the answer in that chancery case? Have you ever seen it?

A. No, sir.

Q. Did it consist simply of the stubs that had red lines on them?

A. It had no allusion to red lines on stubs.

Q. What did you do?

A. I stated I made out from the transcript of the ledger made by Tregaskis, and the reports of Dr. Douglas, and the vouchers which were merely a transcript from that ledger, to be put in tabulated form, to be used, as I understood—although perhaps I was not properly informed—instead of using the books.

Q. You were then simply copying the work of Mr. Tregaskis?

A. Substantially that.

Q. To be used?

A. Rather than the books, that was about all.

Q. Have you ever made any examination of the laboratory books that would enable you to state with any degree of accuracy the amount of deficit?

A. Not the least. I stated to the committee that I had never seen a ledger until it was in the hands of this committee.

Q. Ever examined any of those letters to see whether you thought they were genuine?

A. I think that was the principal object for which I was asked to examine the stubs in the first examination long before the previous examination, although it was not so stated to me until after I had made the examination.

Q. Are you an expert at deciphering the genuineness of signatures?

A. I hate to swear that I was. I have had experience of that kind, and exercised it to some extent.

Q. Are you well acquainted with Dr. Douglas' handwriting?

A. As well as I would be with most men's.

Q. What was your opinion, after the examination of those stub-books, as to any forgeries?

A. I would hate to give an opinion.

Q. Did you form any positive opinion?

A. No, sir.

Q. You were unable to do so from the writing?

A. I think a man would hesitate a great deal to hazard an opinion,—to swear to it on those simple letters.

Q. Did you compare the vouchers or receipts of Dr. Douglas and the reports made by him? If so, did you find each and every voucher to check off [to?] be found on the report? If not, wherein do the reports and the vouchers differ?

A. My recollection with regard to that examination was that they did agree, with two exceptions. One of the certificates there on Dr. Douglas' report [was]

for \$10, while the certificate was for \$13 and some odd cents; and I think there is one certificate that was not on the report at all,—something like \$34. Otherwise, I think they checked off identical in every particular. This statement shows the number of vouchers, and also it shows the amount of money he had credited from other sources, and the total sums for the years.

Q. What kind of stubs did Dr. Angell bring to Gov. Felch's, and how did Angell come to bring them there?

A. I can tell you the kind of stubs, but how he came I cannot answer. The stubs that he brought there were the subsequent-payment stubs,—receipts. I think there were two packages,—may be three.

Q. How many of those 99 canceled stubs have the letter *D* on them?

A. That I can't answer. I did not examine them.

Q. Was Dr. Douglas present in Gov. Felch's office at the time Dr. Angell brought those stubs there?

A. No, sir.

Q. Did he afterwards see them there?

A. Not to my knowledge; I think not. He did not while I was there.

Q. Have you examined what is known as the subsequent payment stub-books? If so, state what you found as to the credits being credited at the time of the payment.

A. I have examined what is known as the subsequent-payment stub-books, and compared them with the ledgers; and I have found with reference to the date on the stubs that sometimes they appear on the stubs to have been credited at various times, in many instances at the date on the ledger. The date that is on the stub and the amount on the stub, in many instances I find that they are not credited on the ledger, the date [?] bearing the date on the stub, but subsequently sometimes in the same amount, sometimes in a less amount; and sometimes there is a larger amount credited, varying from ten days to six months.

Q. Did you make this examination of these subsequent-payment stub-books at time these books were at Governor Felch's?

A. I made a comparison with some of them, with the transcript that Tregaskis had made. It was not a proper comparison; but since I have come here I have made this examination with the ledger proper. I took the proper books to compare them with.

Q. Did you ever inform Dr. Douglas of your examination of those subsequent stub-books while at Governor Felch's?

A. No, sir; never before the meeting of this committee.

Q. State what you found about the O. C. Johnson account?

A. The stub of the subsequent receipt issued for \$10, I think, bears date, I think, some time in November, and no credit to his account that I could find was made until the next June; and the credit was put on the ledger; and as it was, I think, in many other instances, merely the month put in without any date. In June the credit of a larger sum than \$10, which was on the stub issued the November previous—this was credited in June, six months afterwards. I think it was a larger sum than \$10. Such is the case with a large number of those.

I may state, if the committee has not already examined, that many of the stubs contain no sum on the stub. They do not all of them contain any sum in figures representing the sum of money there is due. The date is on them, and the name referring to the ledger of corresponding date you will find no credit, but you would find a credit at a subsequent date; it may be ten days, or from

that to six months, as in this case of Johnson. A smaller sum perhaps than the \$10, or a larger sum, would be credited to that account. In many instances the identical sum of \$10 would be credited,—the same date that the stub bearing the corresponding date credited the same sum.

By Mr. Kelley:

Q. Did you find any instance in which, bearing the same date the sum of \$10 or the deposit made would be credited upon the ledger and afterwards in this account be refunded to the student?

A. I think there was one, but I am not certain about that. There were some entries that I did not understand without explanation, something returned which I understood was paid back, which did not appear on the right side of the ledger.

By Mr. Taylor:

Q. Did you find any subsequent payments not credited at all on the ledger?

A. I think there were one or two cases. I don't know but two instances, three instances, that I did not find any subsequent credit.

Q. Can you give the names?

A. I cannot now. I think Mr. Rose was questioned upon those.

Q. How many years of these subsequent deposit stubs did you cover in your examination?

A. I am not able to answer the time, from the fact that in that examination that was made here when the committee came and took the books away, I did not know where I was. I went along as far as I could. It might have been two or three of those stub-books,—the books of stubs that were here. I am not able to fix the time nor the year.

Q. Why did you suspend the examination?

A. As I stated, the committee came and took the books.

Q. Haven't you had the privilege of doing it since?

A. I have not gone any further.

Q. Did you ever make any examination of the private book of Dr. Douglas?

A. No, sir; I never did. I don't know that I ever looked into it before.

Q. Didn't see it in making your examination at Gov. Felch's house?

A. No, sir; it was not there at all that I know of.

Q. How many times was Douglas at Gov. Felch's while you were there?

A. He came in in the afternoon perhaps four o'clock, and was there in the evening again; that was all. It may have been twice, two different times, went away for tea and came back afterwards. He was in the house when I went there below. I went up into the office and he came up. I am quite positive it was the same afternoon.

ANDREW CLIMIE RECALLED.—FEB. 15.

By Mr. Kelley:

Q. I understood you to say yesterday that you in connection with other persons, members of the Board of Regents, had made a thorough examination of the laboratory accounts for the purpose of ascertaining the amount of deficit for the several years: is that correct?

A. It is.

Q. Will you state, commencing with the earliest year of your examination,

and give a detailed account of the examination that you made, and the results arrived at, each year by itself?

A. We commenced with the year '64-5. After some preliminary work, taking the book and making an abstract of the ledger accounts to be found in the steward's office, and we found that that abstract showed that he had received from students in that year \$2,108.25; and that there was a balance brought forward from the former year of \$394.05, due the University on the former year's business, by annual report, and the amount reported in former year \$37.06; sales of chemicals and apparatus \$57.22; and certificates to students \$18; making the total amount \$2,614.58. We found the amount received by the annual report of Dr. Douglas to the finance committee \$2,557.50, which left what we termed a delinquent account of \$57.02.

Q. Do you know of your own knowledge, or do you swear from that book purely?

A. I know I have compared it with the abstract itself, and found it to be correct according to the figures we had, and the papers we had, to make it up from. It left a delinquency in that year, as I said before, of \$57.02, found to be against a person by the name of A. Purdy, \$9.48; J. F. Aris, \$5; A. Purdy, \$52; W. J. Calvert, \$10; J. Bennett, \$14.92; and William Tibbets, \$17.10; and then we found an item of interest, \$10.70, charged in Dr. Douglas' report.

Q. For that year?

A. For two years, '64-5. I asked Dr. Douglas for some data to compute the interest upon, to determine whether the interest computation was right according to his theory. He said he could furnish me none other than we had. He took it and explained it, taking the receipts from the laboratory book, making a statement of the 12 months in each year, giving the amounts received, and found that there have been moneys receipted into the laboratory at the end of each month, sufficient to pay for the disbursement made during the month, consequently we struck one, the item of interest \$10.70, from the amount of money as claimed by the report of Dr. Douglas to have been disbursed, leaving the correct amount paid out \$1,785.34, making the amount due the University \$829.24.

Q. When?

A. That was on the 29th or 30th of June, '65. In the years '65-6, we made up the statement from the abstract book and the ledger of the total amount of \$2,928.52, received from students.

Q. Did you make that statement up from the abstract or from the books themselves?

A. Made them up from the statement which we drew off from the ledgers themselves, verified and corrected by Mr. Tregaskis and myself. Then I brought forward what I termed the correct balance of the former year, \$829.24, added sales of chemicals and apparatus, and report from certificates of students which were not entered, \$29, making the total amount of receipts in the laboratory, \$3,947.58. In that year we found a delinquent account of \$208.21, taking a report which purported to be a duplicate of the original report which we were not able to find.

Q. Is that the one you afterwards found?

A. It was not found before my committee reported. It was not before my committee at all. I have seen it since. That purports to be it. The amount of money paid out as per report of Dr. Douglas was \$2,384.42, less amount of interest, the deduction made upon the same basis as the deduction in the

year '64-5, \$8.57, leaving the correct amount paid at \$2,378.85, showing a balance due the University of \$1,573.73.

Q. At the close of what year?

A. At the close of the year '66, the 30th of June or thereabouts: sometimes the 29th and sometimes the 30th, 1866.

In '66-7, received from students \$4,232.69; correct balance in former years \$1,573.73? reported from sales of chemicals and apparatus, \$687.27, making the total amount received \$6,493.89; amount of money paid out as per report of Dr. Douglas, \$5,260.64; make a deduction of \$9.95 for interest account on the same basis or calculation that he did before, left \$5,250.69, which would make the amount due the University, \$1,243.20 at the 20th of June, 1867.

The year '67-8: Received from students \$3,984.50; correct balance from former year, \$1,243.20; from sales of chemicals, apparatus, and certificates, \$222.65, making the total amount received \$5,450.35. The amount paid out as per the report of Dr. Douglas, \$2,913.59, less an error on page one of the report of \$17.82, which is a charge of exchange of \$18, which, upon showing it to Dr. Douglas and asking his opinion about it, he said that he thought it should have been 18 cents. Deducting the \$17.82 from the amount which his report claims to have been disbursements, less the amount of interest, \$12.18, from the same computation that we had made before on these accounts, making the correct amount paid out \$2,883.69, showing due the University \$2,566.66 on the 30th of June, 1868.

In the year '68-9: Received from students \$5,378.15; correct balance from former year, \$2,556.66; from sales, \$652.65; making the total amount received \$8,598.46. Amount of money paid out as per report of Dr. Douglas, \$8,761.41; deducting the amount of interest, \$159.90, would leave the correct amount paid out \$8,610.51, less five per cent of \$4,000 [?], \$200, and less five per cent on \$5,762.68, \$288.13, and less amount paid Rose, no vouchers, \$100, leaving the correct amount paid out \$8,022.38, showing the amount due the University \$576.08 on the 30th of June, 1869.

In '69-70, received of students \$4,209.37: correct balance from former year \$576.08; from sales and warrants \$1,845; making total amount received \$6,670.45. The amount of money paid out as per report of Dr. Douglas \$3,765.79, less the amount of interest, \$88.62, making the amount due the University \$2,953.28, on the 30th of June, 1870.

In the year '70-1, received from students \$4,336.66; correct balance from former years, \$2,953.88; reported from sales of chemicals \$899.95; making a total of \$8,189.87. Amount of money paid out as per report of Dr. Douglas \$3,880.66, less amount of interest, \$6.79, making the amount due the University \$4,316.12 at the 30th of June, '71.

In '71-2, received from students \$4,280.86; correct balance from former year \$4,316.12; reported from sales of chemicals, apparatus, and warrants, \$1,026, and the stub of G. W. — from the year '70-1, \$20, making the total amount received \$9,642.98. The amount of money paid out as per report of Dr. Douglas \$4,794.17; amount due the University \$4,848.81, 30th of June, '72.

'72-3, received from students \$4,843.71; correct balance from former year \$4,848.81; reported from sales of chemicals, apparatus, and warrants, \$850; making the total \$10,542.51. Amount of money paid out as per report of Dr. Douglas, \$4,323.07, making the amount due the University \$6,218.74 on the 30th of June, 1873.

'73-4, received from students \$4,915.15; balance from former year, \$6,218.-

'74; reported from sales of chemicals and apparatus, \$155.50; making a total of \$11,289.39. Amount paid out as per report of Dr. Douglas, \$5,928.75; less amount of interest, \$163.61, making \$5,765.14, leaving the amount due the University \$5,524.25, on the 30th of June, '74.

In '74-5, received from students \$6,248.75; correct balance from former year \$5,524.25; reported from sales of chemicals and apparatus \$281.00; making the total amount received \$12,054. Amount of money paid out as per report of Dr. Douglas, \$6,702.69; less the amount of interest, \$319.19; making the correct amount paid out \$6,393.50, leaving the amount due the University the 30th of June, '75, \$5,630.50.

I have the completion of the report as carried out up to the first day of January, when the change in the policy was made, if the committee desire the balance of it.

Q. First of January of what year?

A. 1876.

Q. Made by yourself?

A. It has been verified by myself; made by Tregaskis.

Q. Do you know it is correct?

A. I know it is correct. The abstracts and papers we had —

Q. Give it.

A. Balance brought forward from the year '74-5, \$5,660.70; receipts from laboratory, \$2,056.45; sales of chemicals, apparatus, etc., \$186.77 and \$52.29; stub 214 of Hollister, \$5; interest charged, \$120; credited by disbursements, \$1,348.67, and also, \$2,835.99; reported as forfeits undisposed of, \$230, and \$40, which has been twice entered on the same report, and a \$10 error that was discovered, leaving the balance due the University on the first of January, of \$3,626.73, which would have completed the report upon the basis of the March 28th report until that time.

Q. In the year '69-70 you have an item of \$1,845, received from sales of chemicals, apparatus, and warrants, were they—what warrants were they?

A. The warrants that were entered there as receipted are so specified in the annual report of Dr. Douglas.

Q. Credited to the University in his report,—are they?

A. Yes, sir.

Q. Now, are the other items of warrants in the subsequent years, the same?

A. Yes, sir.

Q. In the year '68-9, if Dr. Douglas was entitled to the five per cent upon the two sums you have named, and also had paid \$100, there would be no balance due the University that year,—would there?

A. No, sir; there would not.

Q. Have you verified your work with the books and original stubs and vouchers appertaining to the laboratory department?

A. We made up this report from the abstract book, I call it, of the laboratory.

Q. What did you make the abstract book from?

A. From the ledgers of the laboratory.

Q. Are you positive from your own examination that the several amounts that you have given here as receipt were actually received in the laboratory department for the year named?

A. The books show it with the exception of those amounts, that we take as credits from Dr. Douglas' annual reports, which are not found on the books.

Q. What amounts do you refer to?

A. The amounts in the first year, '64-5; \$18 for certificates to students.

Q. What other items?

A. There is an amount in '65-6 of \$29 for certificates of students.

Q. Would the amounts appear on the laboratory book?

A. No, sir; they would not.

Q. You take those also from the annual statement of Dr. Douglas?

A. Yes, sir.

Q. Have you made any computation to ascertain what would be the amount of deficit if the interest charged would be a proper allowance to Dr. Douglas?

A. I have not. I can do so if you desire it.

Q. In making up the statement that you testified to, did you have access to all the books and papers in the laboratory department, or that had been used there?

A. They were stated to be all the books and papers that were in existence belonging to that department, or the authorities who had charge of them.

By Mr. Mills:

Q. Had you any cause to believe that there were any others?

A. I had no cause. I made almost daily inquiries for any books and papers which might belong to that department.

By Mr. McArthur:

Q. You found the balance of interest due the doctor in one year?

A. I did upon our method.

Q. Was that allowed?

A. It was neither allowed nor charged.

Q. In your judgment, should or should not that have been allowed?

A. In my judgment it should not have been allowed.

By Mr. Kelley:

Q. How long did you say you had been a member of the Board of Regents?

A. I was elected in the spring of '73, and met with the board the first time, I think, the 24th of March, '74.

Q. On what committees have you principally served while on that board?

A. I had duties assigned to me, namely, on the committee of buildings and grounds, and this last spring [on the] re-organization of the committees, the title of that committee was changed to the committee on the chemical department, and buildings and grounds in connection with it.

Q. What was the particular province of that committee?

A. To take charge of any improvements or buildings that were to be built, and see that it was properly done.

Q. Was there any building done while you were on that committee?

A. Yes, sir.

Q. What building?

A. What we termed the enlargements of the chemical laboratory building.

Q. Any other improvements?

A. Also the water works and the new hospital.

Q. Did the committee usually make the contract for such improvement?

A. Made the contract for part of them and part of them did not.

Q. Who made the other contracts?

A. Dr. Douglas made the contracts, as I understand. I never asked the question. I never saw them.

Q. What was the reason the building committee did not make those contracts?

A. The reason was they were quietly ignored: the business taken out of their hands by parties that were in the habit of doing that kind of business.

Q. Did you ever know of any written contract being made for the enlargement of the laboratory?

A. I did not.

Q. Did you make any contract with any persons for that purpose?

A. No, sir.

Q. Or for the water works?

A. Not to my recollection; I am not positive.

Q. Were you chairman of the committee while those improvements were being made?

A. I was.

Q. Were you not consulted with reference to them?

A. I was consulted during the building of the enlargement of the chemical laboratory, but at the completion of it they were disposed of through the finance committee.

Q. Do you have any recollection of ever making any arrangements for commissions for the superintending of the work?

A. I did not make any.

Q. Do you know of any members of the committee that did?

A. I do not.

Q. Why didn't you object to such a mode of procedure?

A. I did.

Q. When?

A. At the meeting of the Board of Regents.

Q. What notice did they take of it?

A. They very quietly ignored me and my objections in regard to it.

Q. Were you aware of the manner in which the accounts were being kept in the University or in the laboratory department?

A. I have some knowledge of it.

Q. Did you make any objection to it?

A. Yes, sir.

Q. Did you ever bring it to the attention of the full Board?

A. I did.

Q. What action, if any, was taken in reference to it?

A. They said they would attend to it and have the matter changed, and it was finally changed on the first day of January, '76,—the method of keeping the accounts.

Q. When did you first call attention to it?

A. I first called attention to it when the account of '73-4 was submitted to me as a member of the committee on finance. I objected to the statement.

Q. Are you conversant with the manner in which the accounts are now kept, and in the other branches of the University?

A. To some extent.

Q. Do you consider that it is a proper system for keeping accounts of a business of that magnitude?

A. No, sir; I do not.

Q. Have you ever known of any record or books being kept in the University by means of which could be ascertained the amounts of receipts and the amount of disbursements for each specified object during the year?

A. Secretary Bennett keeps a book that purports to be a book of that nature.

Q. Have you ever examined it?

A. I have to some extent.

Q. Does it show the amount of receipts from all sources?

A. I think it does not show the amount of receipts from all sources.

Q. Does it show any disbursements?

A. Yes, sir; I am not positive but what it shows the receipts from all sources, but I *think* it does not.

Q. Do you know about the amounts receipted and disbursed in that University annually for the past four or five years?

A. Only from reading the financial reports, and some not very carefully. I know it to be from \$105,000 to \$120,000.

Q. Could you give us any idea of the defects, in your opinion, of the present system of book-keeping,—keeping the accounts of the University?

A. I think there should be a man whose especial business it would be to keep the accounts of the University, a book-keeper, a competent accountant, who should by a system of checks take care of the fund of the University, and only upon proper indorsement should they be drawn or paid out.

Q. Has it been customary, while you have been a member of the board, to allow money to be drawn from the treasury without the authority of the board?

A. It might have been by the authority of the finance committee. I am not positive in regard to that. The mode of drawing the money that is used for certain purposes I can state, and you would get the idea I wish to convey by claiming that I think the matter is not properly conducted.

Q. State it.

A. The Board of Regents, when they get through their meetings, write their names on a piece of paper, and Secretary Bennett takes the money out of his pocket and hands it over to them; and I suppose it is reported as the contingent expenses of the board.

Q. That is for the compensation of the Board of Regents?

A. Yes, sir; I don't think it is a proper way to do it.

Q. What is that compensation?

A. I don't wish to say there is a direct compensation but for their board and lodging and traveling expenses. That is the compensation they get, if you have a mind to term it that.

Q. How do they pay other bills?

A. I think they pay some bills in the same manner.

Q. Did you ever know of a thorough examination of the financial condition of that University while you have been a member of the board?

A. No, sir; I do not.

Q. Have you ever seen any annual statement of any department presented to the board and carefully examined.

A. I have seen only such statements as are published in the printed reports of the finance committee, together with the annual reports of Dr. Douglas for the chemical laboratory.

Q. The hospital has been built since you were a Regent?

A. Yes, sir.

Q. Have you known anything of its management?

A. I have only from the statements made by the Dean and some members of the medical faculty.

Q. Have you never examined yourself?

A. Not since the building. I made an examination at the completion of the building and accepted the job.

Q. Was it built under your supervision?

A. To a certain extent.

Q. Have you ever heard of any complaint as to the use of that hospital building that is being made of it?

A. I have heard some made.

Q. From what sources?

A. From homeopathic professors.

Q. What was the complaint?

A. They complained that they had no use of part of the hospital.

Q. Did you ever bring that matter before the Board of Regents?

A. I did not.

Q. Did any person?

A. I think it was mentioned by Dr. Rynd as chairman of the medical committee.

Q. Was it ever discussed in the Board of Regents?

A. It was to a certain extent; how far I am not prepared to say.

Q. Was there any action taken in reference to it?

A. I don't recollect in regard to that whether there was or was not.

Q. Have you visited that hospital at any time since it has been occupied and used?

A. I have not since it has been occupied.

Q. Did your committee ever advertise for proposals to erect the several buildings that have been constructed there during your administration?

A. We sent notices for the building of the hospital. I think we advertised in the papers. The contract was let to the lowest bidder.

Q. How with reference to the other additions and improvements made?

A. It has not been done to my recollection, not by advertisement.

Q. Has it been done to your knowledge by any other means?

A. There have been statements made to you.

Q. I am asking for your knowledge of it. Did you ever solicit any proposals?

A. Not in regard to the water works building, or the chemical laboratory enlargement.

Q. You had that in charge, hadn't you, as chairman of that committee?

A. I suppose I had.

Q. Why didn't you solicit proposals?

A. I told you why I did not. I spent what time I could at the meetings of the Board of Regents, and left my directions as to the work and the mode and manner of the work being done.

Q. With whom did you leave those directions?

A. I left them with Secretary Bennett.

Q. What were those directions?

A. Those directions were to receive proposals for the furnishing of the water-works,—whoever was to obtain the right to use the water and to obtain the right of way for the water to the laboratory, and then receive proposals for digging trenches and for pipes.

Q. When did you first ascertain that those directions had not been carried out?

A. At the next meeting of the Board.

Q. Why did you not object to it?

A. I think I did object to it very strongly.

Q. What made you accept the work?

A. I never have accepted it.

Q. Has it been paid for?

A. I understand that it has. I have seen a special bill for it since this investigation commenced. I never saw it before.

Q. I understand you to say that the majority of the Board of Regents overruled your directions?

A. They overruled my request, and when I returned at the next meeting of the Board of Regents the work had been done, and the finance committee had taken charge of the details of it, and said they had paid for it and would make their report to that effect.

Q. Did the majority of the Board of Regents sustain the finance committee in that action?

Q. Some members of the Board discussed the question, but there was no action taken except what was taken by the finance committee.

Q. The Board took no action on it?

A. No, sir.

Q. Who made the report for the water works?

A. It is in Dr. Douglas's handwriting.

Q. Were there any commissions allowed on that job?

A. There was a commission of \$425. I had not seen the report of the committee on the water works. I misunderstood you. I wish to correct that. It is on the chemical laboratory enlargement that my answers were intended. It was carelessness on my part.

Q. Who made the report on the chemical laboratory?

A. It was in Dr. Douglas' handwriting.

Q. Who made it?

A. That is all the knowledge I have of it,—seeing it in his handwriting.

Q. Was it signed?

A. I could not say whether it was or not.

Q. Was there any commission allowed on that?

A. \$425 charged in the statement.

Q. Look at the ledger for 1873-4, page 225, and tell us how you explain the ticket you find there?

A. In the report of the committee on which I worked we did not take into account the matter of these tickets. It did not affect either one way or the other the work we did. We simply looked at this voucher signed by the student. We would not examine the stub to see whether it was red-lined or the letter *D* on it. It would make no difference with the matter we had to report upon.

Q. Did you find that ticket pinned in there when you had the books?

A. Yes, sir. I find the stub for which this ticket is a voucher, the amount of the deposit to be \$10, with the letter *D* on it and no red line.

Q. Look at pages 71 and 285 for the same year, and explain what your committee did with those tickets?

A. The committee of which I was chairman did nothing with those tickets except to examine them. I find on page 71, S. F. Hunter, \$20.

Q. Explain what your committee did with those tickets and accounts?

A. I have entered up the accounts as so much money received, and did nothing with the tickets. We did not make use of vouchers in our committee work.

Q. How much did Dr. Douglas report for those tickets?

A. I would have to examine in regard to these special cases. The face of the ticket is \$20. I find that there is \$20 reported by Dr. Douglas upon that ticket.

Q. Did Dr. Douglas, with your knowledge or consent, keep the deposit money as money on call, and did you have any understanding that Douglas was to charge interest when he had this sum unexpended in his hands?

A. He did not by my authority.

Q. Was your name ever signed to any report of the finance committee without your knowledge?

A. My name was entered in the second year's report of the finance committee without the report ever having been submitted to me. I never examined the report. Regent Gilbert said he made a mistake in supposing that one of the other Regents was on the finance committee instead of myself, and did not submit the report to me.

Q. Is that the only time?

A. That is the only time I find it in the printed minutes. My name is on the report.

By Mr. Hinchman:

Q. Did you consider those laboratory deposits as University money, or money belonging to individuals?

A. I considered the laboratory money as University money, the same as it is now. When it was received in the laboratory it belonged to the University. That is the policy that is now established in the department.

Q. Do you know anything about an appropriation for water-works?

A. I do.

Q. By whom?

A. It was appropriated by the Legislature.

Q. By whom were the works constructed?

A. There was a resolution authorizing myself as chairman of the committee on buildings and grounds, from Professor Douglas,—Secretary Bennett, I think. I would have to look at those resolutions.

Q. Was the work done by contract or otherwise?

A. I could not say whether it was done by written contract or not.

Q. Please tell the committee what you know about it.

A. I stated it was the water-works matter. I stated a few moments ago in regard to that, at the meeting when the matter was discussed I said to the Board of Regents that I should insist upon the matter if it was left to my charge, that it should not exceed the appropriation of \$5,000. I gave my reasons for it. I was strenuous in insisting upon it, and if the brick tower and tank could not be built and kept within the above appropriation of \$5,000, that it should not be done, but a railroad tank [be] put up until we could get the money appropriated by the Legislature. I gave directions to that effect before leaving Ann Arbor. Upon my next meeting with the Board of Regents the brick pier was constructed, and I found fault and objected to the matter very strenuously. Regent Gilbert said that he had telegraphed or written that he had been there and authorized the construction of it.

Q. How much was the appropriation exceeded?

A. I think about \$1,200 or \$1,500. I am not positive.

Q. Do you know how the balance was paid?

A. I do not.

Q. What did Bennett tell you about it?

A. Mr. Bennett said it would be charged up, I think, in the contingent fund or the general fund.

Q. Were any commissions paid to any parties for that work?

A. I have not seen the detailed statement of the matter in regard to the water-works.

Q. You think the brick is much better than the railroad tank would be?

A. I do.

By Mr. Taylor:

When you called on Dr. Douglas, as you state in your examination, to obtain information as to books and papers belonging to the University, did he not tell you that [except those] in daily use, which were in the laboratory, they were all at Secretary Bennett's office?

A. I think he told me so.

Q. Did he not tell you also that you were at liberty to examine any private books or papers he might have?

A. I think he so stated.

Q. What answer did you make?

A. I could not tell what answer I made.

Q. Did you avail yourself of this privilege?

A. I looked at some of his private books.

Q. Why did you not do so freely?

A. There were not any of the private books that he showed me,—did not pertain to the business at all.

Q. Did he ever show you this scratch book,—University book?

A. No, sir.

Q. Did he call your attention to it?

A. No, sir.

Q. Did he ever refuse your request as to the papers and books?

A. He said, when I asked him in regard to the papers and books, that those were all the books there were in connection with the laboratory business.

Q. Your committee found some errors in the footings of Dr. Douglas' reports,—did you not?

A. Yes, sir.

Q. Were the reports in which these errors occurred in the handwriting of Dr. Douglas?

A. I think some of them were not. I could not tell when I looked at them.

Q. Did not Dr. Douglas on several occasions call your attention to errors of your committee, both in the footings and balances carried over?

A. Not to my knowledge.

Q. Did he call your attention to what were claimed as errors?

A. He called my attention to errors that were in the annual reports of his own. He gave me a statement of them.

Q. Those annual reports, whether in his own handwriting, were always signed by Dr. Douglas,—were they not?

A. I think some of them were not signed, and some of them were not footed except by some of the committee that had been at work at them.

Q. In making up your report, at what time did you close the fiscal year?

A. We calculated to take this annual report as a statement, and close the receipts, with the exception of what we found reported by the ledger, which would generally close up about the last of June; and then we could tell the next year, because that would commence about the first of October.

Q. Why did you close it at that time?

A. That was the time most of the reports purport to be closed up.

Q. When did Dr. Douglas close his fiscal year in his report?

A. I think about the last of June or the first of July.

Q. When did he make his reports?

A. I think he calculated to have it made at the June meeting of the Board,—the last week in June, I think.

Q. Generally the Regents met on the last Tuesday of June: were not his reports presented at that meeting?

A. I think so.

Q. Would he not make up his reports a day or two prior to the last Tuesday in June?

A. Yes, if they were presented at the June meeting.

Q. Were they ever omitted at the June meeting?

A. I could not say; I think they have not been since I have been a member.

Q. Are there not a great number of accounts that students paid on or about commencement?

A. I think there were considerable sums of money paid during the month of June.

Q. Are there not a great number of accounts that students paid on or about commencement day and after, and must not these accounts come into the next year's report?

A. There are a great many accounts settled at that time, but not paid,—the sub payments, the balances,—not paid.

Q. Could they be reported by Dr. Douglas until they were paid?

A. They could not.

Q. In the manner in which you make up your report, do not such accounts appear as delinquent when in reality they were not delinquent?

A. In making up my report, it does not treat in regard to delinquent accounts. That is a separate statement of the delinquencies occurring in the first two years. The account does not treat of the delinquent accounts in the form that they have been talked of, with the exception of giving those that are separate statements of the accounts; simply treats of the actual receipts as taken from the ledgers, from the annual statement of Dr. Douglas, and the disbursements as taken from his annual reports, with the entries as made.

Q. Was not the delinquent account increased in this manner by several hundred dollars in '74-5?

A. I should not think by several hundred dollars. It is a mere estimate.

Q. Were they increased at all?

A. They would be increased. I could not tell how much without figuring it up?

Q. Did you not know that those accounts were credited to the University during the next week or 10 days thereafter?

A. I simply know what I found from the books and papers.

Q. Did not the books and papers show this?

A. I could not say without an examination as regards the exact date.

Q. Was not the report covering the ground before you?

A. At what time?

Q. '74-5.

A. The report of '74-5 was before us. That was included in my report.

Q. Did it cover the ground?

A. I do not understand the question.

Q. Was not the report covering the ground there on hand before you to show that?

A. We took the annual report that was made in June as the datum with the books to make up the report which closed the year '74-5. There were other subsequent reports that were there.

Q. Did not the accountant, Mr. Tregaskis, call your attention to the injustice of the act of making the report in regard to the time you closed the fiscal year?

A. No, sir; not to my knowledge.

Q. Did you make any reply to him in regard to that?

A. He did not make any statement to me that I know of,—“it would be unjust.” I can make an explanation of the matter so that the committee would understand.

Q. Explain it.

A. Up until within an hour of the making of the report, I intended to continue it to the first of January, '76, which would have included all of those amounts; but the Board of Regents were there and waiting to hear the report, and I had to close it with the fiscal year '74-5, and could not complete the work,—could not complete the work up to the first of January.

Q. Did you or Regent Rynd instruct him to make the figures as they were made?

A. He knew how to make figures when he commenced with me?

Q. To make his report?

A. He made the abstract of indebtedness. I directed him as to the mode of making them,—as to the manner. It was a mutual work between us. We worked, I think, about two weeks, before we could arrive at a conclusion as to how we could get at it, and then we worked the balance of the time with what instruction and what knowledge we both had to complete it.

Q. At the time when you instructed him to make these figures, did you not use language like this: “None of your baby work: go ahead?” Did you hear Mr. Rynd say that?

A. I don't think I did. We are not in the habit of talking in that way. We make use of more emphatic language,—at least *I* do.

Q. Did you and Tregaskis agree as to the different methods of making those abstracts and reaching the results you arrived at?

A. In the larger part it was a mutual work. We worked at it and talked over and labored with it. Some of the work I directed him to do,—at what time we would close up, and the details were arranged under my instruction,—by my direction. He did the work as an accountant. I always heard to his suggestions, if there was any better method of arriving at it. I heard to them all through the work.

Q. Did he express the opinion that there was any better methods than those you suggested and pursued?

A. From the beginning?

Q. From any time.

A. From the beginning we worked at two or three different methods before we arrived at one that either one of us was satisfied with, and that is the one which we carried out in detail.

Q. And that you were both satisfied with?

A. Yes, sir.

Q. In any of your instructions did you give him instructions to make the figures any different from what the books and papers would warrant?

A. No, sir; I did not.

Q. When your investigation was progressing, did Dr. Douglas frequently ask the privilege of examining and correcting any errors that you might make?

A. Yes, sir.

Q. What reply did you make?

A. I always wanted he should do that,—make any suggestions. As I have before stated, in the year '64-5 we spent larger part of two days in looking up the delinquency in that year, with his assistance in looking over the cards, and sorting them and looking over the books.

Q. Did he not ask that he should see the figures before they were reported?

A. I think he was in there almost daily looking at the figures as we went along.

[Question repeated.]

A. I can't say whether he did or not.

Q. Did you ever object to his looking at the figures?

A. On the book?

Q. Yes.

A. No, sir.

Q. Or the figures you had made yourself?

A. I stated the manner and method of making out the report.

Q. Did you ever object to his looking at the figures?

A. No, sir; I did not.

Q. That is, your figures that you were making.

A. No, sir; I don't think I saw Dr. Douglas for 24 hours before I made the report.

Q. During the progress of your work did you make any objection to his seeing them?

A. The making up of the report, I think, was not over 12 hours before it was reported to the Board of Regents.

Q. During the progress of your labors did you object to the doctor coming in and looking over your work?

A. No, sir.

Q. Did you not say to him that he should see the figures before they were reported?

A. I don't think I did. I could not swear positively in regard to that.

Q. Were they shown to him?

A. I think not.

Q. In the last three or four days of your labors why did you remove from the President's room to the hotel?

A. Simply because we were working from 16 to 18 hours a day, and we did not choose to take up our time walking a mile and back every time that we wanted to go to our work. We had the data to make the report from at the hotel, and we worked all the time.

Q. Was Mr. Beal frequently at your room during the last days of the work?

A. No, sir.

Q. Was he ever there?

A. Yes, sir.

Q. Was Mr. Briggs frequently there?

A. No, sir.

Q. Did Mr. Briggs board at the hotel?

A. I think he did.

Q. How far from your room was Mr. Briggs' room?

A. I could not tell you.

Q. What was Mr. Briggs' business in Ann Arbor at that time?

A. I do not know.

Q. Did the books and papers warrant you in closing the fiscal year on the 30th instead of the 28th of June?

A. They did. The books and papers, in making up the report as we made it up, did warrant us in closing the report of the committee at that time, stating as I stated before, that we intended to carry it forward to the first of January, '76, when the change in the policy was adopted; but for lack of time we could not do it.

Q. Was Dr. Rose ever in that room? Did he ever review your work?

A. I think he did at times during the progress of the work.

Q. Did he ever offer any suggestions?

A. I asked him for suggestions several times in regard to some marks, in regard to some matters that were a little difficult for me to understand, and he gave me some suggestions during the progress of the work.

Q. Who was there the most,—Dr. Douglas or Dr. Rose?

A. Dr. Douglas, I should think,—about 999 times to Rose's once.

Q. Dr. Douglas was at the laboratory every day while you were working?

A. We were at work in the President's room, and Dr. Douglas came in once or twice a day and sometimes three times.

Q. What is the date of the report for '74-5?

A. I could not tell without looking, but I think it is June 31. Yes, it is June 31. I think we closed it on the 30th of June, supposing that to be an error.

Q. Do you say that Mr. Briggs had a room in Ann Arbor in the hotel in which you did your work, and during the making up of the Climie report?

A. I *think* he was there, but I don't *know* whether he was or not.

Q. Did you visit New York for the purpose of ascertaining whether Dr. Douglas had charge of commissions on purchases for the laboratory?

A. I did.

Q. What investigation did you make?

A. The investigation, so far as I made it, was to go to the parties of [whom articles had] been bought, and inquire of them in regard to it; and they said there had been no commissions paid.

Q. Did Rohrbeck & Goebeler and Benjamin & Company afford you all needed facilities as to your investigations with reference to commissions?

A. They made the statement that they never allowed commissions.

Q. Did they give you free access to the books?

A. They made me a ledger statement.

Q. Did they give you free access to the books?

A. I did not ask them for that.

Q. You did not examine the books?

A. No, sir; I did not.

Q. What was the result of your inquiries as to commission?

A. The result of my inquiries as to the commission was that Dr. Douglas had not received any.

Q. Was anything said in your report about commissions, and if so, what?

A. It says: "Your committee also gave some attention to the allegation that excessive prices were paid for the goods purchased, it being reported that responsible parties from the city of Ann Arbor would duplicate the bills laying the goods at the University at prices less than they were charged in N. Y. We have not been able to substantiate this charge. In the course of the investigation Regent Climie visited N. Y., and by the parties of whom the goods have been most largely purchased evidence was furnished that the charges made that Dr. Douglas had been in the habit of receiving commissions, were without foundation."

Q. Did this part of the report appear in the printed copies of it in the Detroit Post and Tribune?

A. I could not say. I can tell you the reason why I did not, if the committee desire to hear it.

Q. Did you publish that report in the Detroit papers?

A. No, sir. I can tell you here how that part of the report was got out. It was written by Regent S. S. Walker, and I pinned it on the report. I did not write it out; I pinned it on and read it. It got unpinned, and it was not sent forward as a part of the report, and I had to find it for Secretary Bennett and arrange it afterwards. The report was put together with pins to hold it, and it got misplaced.

Q. Was Dr. Douglas ever informed of your intended visit to New York and of its object?

A. He was not.

Q. Did you discover anything which gave you reason to believe that he had ever in any way interfered to prevent you from obtaining the fullest information on the subject in your visit to New York?

A. I did not discover anything.

Q. While you were in New York did you have an interview with Professor Chandler of Columbia College?

A. I did.

Q. What inquiries did you make of him, and what information did he give you?

A. I made inquiries in regard to the better method of buying chemicals,—whether it would be better to buy them in New York or import them.

Q. What did he tell you?

A. He thought it was better to send some competent person to select them, that would use good judgment as to the prices and quality, and buy them in New York.

Q. What did he say as to the necessity of Dr. Douglas' visiting New York annually to make purchases?

A. He did not say as to Dr. Douglas, he said it would be better to have some party that was acquainted with the methods.

Q. Did you make inquiries in New York as to whether Douglas had paid excessive prices for chemicals? And if so, what was the result?

A. I did. I inquired of Rohrbeck and Goebeler, and Mr. Goebeler told me a certain bill of the year 1873 was higher than the prices usually charged, giving as a reason that he was in Vienna at that time at the World's Fair.

Q. Did Dr. Rynd assist in the preparation of the Climie-Rynd report?

A. I think he wrote a little of the closing part of it, but I am not certain with regard to that.

Q. Did he sign it?

A. He did.

Q. Did he not, after the report had been presented and read to the board, repeat the charge that Dr. Douglas had received commissions on chemicals purchased, and say that he had evidence of it in his pocket to prove it?

A. I could not say. He made some statement, but what statement I do not know.

Q. Whether that statement was written or not?

A. I think he had a written statement, but I am not sure.

Q. Do you know what evidence he referred to? and if so, what?

A. I don't know what evidence he referred to, but I suppose it was some letters he had.

Q. Wasn't that evidence before you when the report was made?

A. No, sir.

Q. Why, if it was credible, what was claimed for it—was it not referred to in the report and some conclusion based upon it?

A. The report was mainly made up of facts and figures, and I did not propose in writing up the report to put in anything of that kind, and he gave way to my wishes in the matter.

Q. Did you ever receive any letters from E. P. Benjamin and from Rohrbeck & Goebeler? if so, produce those letters and read them to the committee.

A. I have not got them here with me. I have two letters, one from E. P. Benjamin and one from Rohrbeck & Goebeler. They are in the city. I can produce them.

Q. Why have you [not?] filed those letters with the committee before this?

A. Because they are addressed to me, and Mr. McGowan obtained affidavits in regard to the matter prior to the making of the report.

Q. Have you examined the bills of Rohrbeck & Goebeler and E. P. Benjamin for chemicals? if so, please state to the committee whether the prices are in gold or currency.

A. I have examined the bills. Some bills were paid on gold basis.

Q. Were any of them paid in currency?

A. I could not say. Some of them are payable in gold. Yes; I can say, when I come to think about it, that some of them were paid in currency and the discount added.

Q. Did Dr. Douglas know that your committee were assuming to re-audit his accounts, striking out numerous items of credit?

A. I do not know.

Q. If he did not know how your committee were dealing with his accounts, how came you to inquire of him as to his mode of computing interest?

A. I told him that I wanted books and papers, so that I could determine whether he had correctly computed the interest from the basis upon which he did compute it.

Q. What aid could he furnish as to the matter of interest?

A. I suppose he could give me the exact data from his books,—the time and rate per cent, and the amount upon which he has computed.

Q. Why did you carry out the computation of interest on the principle on which you commenced and proceeded with until you found that the rule adopted had begun to work in Douglas' favor?

A. I did not find any such thing.

Q. You did not find any such rule?

A. No, sir.

Q. In making up the amount of this deficit, what is the total of the credits in Dr. Douglas' annual accounts rendered which you struck out and disallowed?

A. I would have to figure it up to know.

Q. How many and what items did you disallow for want of a voucher, and what was the amount thereof?

A. I could not state that without taking time to look over my papers.

Q. In whose custody have those reports been after the annual accounts had been rendered and settled?

A. I suppose they have been in the secretary's custody.

Q. Had these annual accounts been audited and settled each year?

A. I could not find that they had by any records or proceedings—not all of them.

Q. Did you have any personal knowledge of it?

A. I did not.

Q. Upon what ground did you claim the right to disallow items in the settled accounts for want of a voucher?

A. I can state one case, and then you can understand why I disallowed it. In one case Dr. Rose, who was to be paid \$300 from the laboratory—I found he had been paid \$200, for which there were vouchers in the package, and \$100 more than was to be allowed from the laboratory itself, for which there was no voucher. I disallowed it on that account. I could not find that the report had ever been examined and allowed by the board, according to their report.

Q. Did you make any inquiries of Dr. Douglas or of any one in regard to the item of \$100 paid Rose for which you found no voucher?

A. I called Dr. Douglas' attention to it.

Q. Did you disallow any other item for which you found no voucher in the files?

A. I did not.

Q. Please refer to the resolution under which the Olimie committee acted.

A. The resolution is on page 500 of the records of the Board.

Q. Read it.

A. "*Resolved*, That conformably with the request of Professor S. H. Douglas, a committee of three Regents be appointed to investigate, thoroughly, his accounts with the University, and report to this Board; and that they have power to employ an accountant for such examination."

Q. Was not the investigation previously made by the Gilbert-Walker committee confessedly incomplete in not going far enough back?

A. I don't know as I can answer that. I do not know what they confessed about,—what they say in regard to that matter. I can tell by reading the report.

Q. Do not the records show?

A. I do not know whether they show that or not in the report. I could not tell without reading it.

Q. Don't you know that it was the purpose and intent of that resolution to carry the investigation back at least to the time when Rose came into the laboratory?

A. I did not understand that they dictated in the resolution any time, but sent [statement?] all of the account.

Q. Do you not know that it was the purpose to complete the investigation?

A. I did not so understand it.

Q. Does not the Gilbert-Walker committee's report go into the state of the account between Rose and Douglas in respect to the laboratory receipts?

A. It does.

Q. Does not an investigation of the accounts of Dr. Douglas with the University involve an inquiry as to how much laboratory money he had received and how much he had accounted for?

A. It would.

Q. Does it not therefore involve an inquiry as to what laboratory money Dr. Douglas had received from Dr. Rose, or in other words, into the state of the accounts between Dr. Douglas and Dr. Rose in respect to the laboratory receipts?

A. I think it would if it was final.

Q. If you say Dr. Douglas was responsible for the laboratory money which came into Dr. Rose's hands whether it was ever paid over to him or not, and therefore an investigation of his accounts involved only an inquiry as to how much had been paid into the laboratory and how much had been accounted for by Dr. Rose, tell fully your reasons for such opinion?

A. My reason for such an opinion is that Dr. Douglas was the director of the chemical laboratory. He made his report of the amount of money received in the laboratory, giving in detail the names of persons constantly. I should hold that we had no person between the original payment and Dr. Douglas, who made his annual reports to the Board of Regents of the money received and moneys deposited. He being the director of the chemical laboratory was my reason for thinking he was responsible.

Q. Is any such ground taken into the report of your committee? and if so, show the passage to the committee.

A. The report of the committee does not take such grounds.

Q. If not, why not?

A. We did not deem it best to enter into that question.

Q. Was any such ground taken by any member of the Board of Regents in its December meeting?

A. I have taken such grounds.

Q. At the December meeting?

A. I took such grounds at the December meeting.

Q. Any one else?

A. I could not say.

Q. What was said on the subject?

A. I could not tell.

Q. Does the Climie-Rynd report mention the name of Dr. Rose?

A. I think it does not.

Q. Why not?

A. I drew the report myself, and my motive for drawing it was with the idea of reporting the accounts of Dr. Douglas with the University, not expecting the report to be a finality, but to be continued in the same light, carried through until the first of January, 1876, and then a determination of that question made by the Board of Regents.

Q. Was it so constructed as to convey the impression to the general reader ignorant of the University laboratory that Dr. Douglas had received the entire deficit, and had failed to account for it?

A. I think not.

Q. Was it not deliberately and purposely so constructed?

A. It was deliberately and purposely constructed just as it is.

Q. Was this fair and just to Dr. Douglas?

A. I think it was.

Q. Do you not know that the report was quite generally understood to impute the entire defalcation to Dr. Douglas?

A. I could not answer that question.

Q. Have you taken or received the Ann Arbor Courier since the report was made? And if so, for what time?

A. I have taken the Ann Arbor Courier for a year or more.

Q. Do you not know that the Ann Arbor Courier has represented that your report found that he had received the deposit, and had failed to account for it to the University?

A. I think it was so claimed.

Q. Is this a fair interpretation of your report?

A. I could not tell without reading the back numbers of the paper.

Q. That particular thing here referred to in the Ann Arbor Courier as representing that your report found that he had received the deposit money and had failed to account for it to the University,—is that a fair interpretation of your report?

A. That is a matter of opinion, and I do not think the committee ought to make me answer under oath. When you get through here I can give you my opinion outside. I do not think a matter of opinion it is right to ask me,—what I think somebody else does and what they say about it.

Q. Have you ever read that article?

A. I could not say whether I have or not.

Q. Did you write it?

A. No, sir; I never wrote any articles for the Courier.

Q. Your attention is called to that part which is marked here. Read it and say if that is a fair statement made by you in your report?

A. That is a matter of opinion.

Q. Did you not testify in substance to that statement yesterday,—the statement marked in pencil?

A. I think you had better put Mr. Beal on the stand to answer that.

Q. Is it true that Dr. Douglas tried every artifice on you to save himself?

A. I can't answer that question, because I do not understand the scope of it. That is asking me to swear what "artifice" is, and I would have to get a dictionary to look it up.

Q. What means, if any, did Dr. Douglas use to prevent you from making the report you did, and to save him, so to speak?

A. He did not make use of any means to prevent me from making my report as I did, except to assist me in getting along with the matter, and then making the statement to me which I testified to yesterday, which you will find in my testimony. I can repeat them if you want them. I have repeated them twice.

Q. Did he beg of you for his reputation? If so, state what he said.

A. I testified to what he said twice, and it is on record.

Q. Answer this question.

A. He said to me, "Mr. Climie, I don't care so much about the money that is involved in this question, but I don't want to have it made public, because I think it would be a disgrace to myself and my family."

Q. Did he tell you that he cared nothing for the money? and if so, in what connection? Give the whole of the conversation?

A. He said he cared nothing for the money involved in that account of this delinquency.

Q. Did he ask you to figure up between certain accounts and find out what they amounted to, and he would draw his check for the amount?

A. He did.

Q. If so, what accounts did he refer to?

A. He said the stub accounts with the letter *D* upon them. I ought to correct myself in that: It was the deposit money represented by the letter *D* on the stubs.

Q. Do you not know that he has at all times since the deficit said to you and other members of the Board, that he recognized his liability for all the deposit money not accounted for where the stub had the letter *D* upon it written by himself.

A. I do not know what he has said to the Board. I know what he said to me, that if I would figure up the amount of money that was due from him on the deposit money where the letter *D* was on the stub, he would give me his check on the bank for the same.

Q. Do you not know from your own investigations of the accounts that this deposit money was left in his hands, or might have been left in his hands, without his being aware of it until the accounts were thoroughly investigated?

A. I think he might keep money in almost any shape, the way the accounts were kept. I think it might be done.

Q. Did you figure up the accounts he referred to? If so, what accounts?

A. I did not.

Q. Did he offer to pay you the amount so figured up if you would agree not to divulge the facts?

A. I would have to make the statement right here again what he said.

Q. Did he say anything to you about divulging the facts?

A. "Mr. Climie," —

Q. Did he offer to pay you the amount so figured up if you would agree not to divulge the facts?

A. He said to me, "Mr. Climie, I don't care anything about that money," — I have to laugh. If you would allow me to answer it some other time —

Q. If you answer in the affirmative, state where and when, and who was present.

A. He stated the matter in regard to the letter *D* money in the presence of Mr. Tregaskis.

Q. State the whole conversation.

A. He said if I would figure up the amount due to him on the deposit money where the letter *D* was on the stub, he would give me a check on the bank.

Q. Who was present?

A. Mr. Tregaskis.

Q. Did you hear the rest of the conversation at that time?

A. No, sir.

Q. When did you have the other conversation?

A. Some few days after that.

Q. Who was present?

A. Dr. Douglas and myself.

Q. No one else?

A. No one else.

Q. That is the conversation you have stated two or three times?

A. Yes, sir. We stood in the vault under the gas-light. He had some bills in his hands, and I came in with the papers to exchange them, and he met me and made that statement to me.

Q. Did Dr. Douglas ever ask you to conceal anything in respect to the laboratory deficit? and if so, when, and where, and what did he say?

A. He made that statement, and that is what he said.

Q. Then and there? You have stated it?

A. Yes, sir.

Q. Did you ever tell Beal what he stated in the quotation referred to from the Ann Arbor Courier—

A. I think I did not.

Q. —Of what occurred between you and Dr. Douglas?

A. I think I did not.

Q. Do you not know, at least from Mr. Beal, that a libel suit is now pending against Beal for publishing these statements among others?

A. I heard he had a libel suit.

Q. At the time of these conversations with Dr. Douglas, at the time he made this statement that you have referred to, did he say anything about any of the *D*'s being forged?

A. He did not.

Q. Did you first call Dr. Douglas' attention to the appearance of some of the *D*'s, and say that they were forged?

A. I called attention to the word written *Douglas*, and I said I should judge he hadn't written that, for I thought every man ought to know how to spell his own name.

Q. Did he appear to have thought of that before?

A. I could not tell when the conversation in regard to the letter *D* came up, but we had talk in regard to them.

Q. Did you call his attention to the letters *D* and suggest some of them had been forged?

A. I did not in regard to the letter *D*. I did not suggest that some of them had been forged.

Q. The reason McGowan never called your attention to the statement in the Courier?

A. He did.

Q. What did you tell him about it?

A. I told him I had never authorized such statement.

Q. Did you say to him it was not true?

A. I said I did not think, in the manner in which it was stated, that it was a fair statement.

Q. Is that all you said to him about that article?

A. I could not tell you all I did say to him.

Q. Didn't you say to him it was not true?

A. I don't think I made the statement in that form.

Q. Did you ever say anything to Regent Grant about these statements?

A. I spoke to Regents Grant and McGowan both in regard to it.

Q. What did you say about it?

A. I said about the same thing to both of them, for I was talking to both of them at the same time.

Q. You say you did not testify before the June committee to this conversation with Douglas about the deposit money in his hands, because it was not material to the matter under investigation by that committee?

A. I did not make any such statement as that, they make use of the wrong word.

Q. What did you say?

A. I did not say anything in them in regard to the matter of the letters *D*,

because I heard they were going to hold Douglas responsible for the money represented by the letter *D* upon the deposit stub.

Q. That was the reason you did not say anything about it?

A. Yes, sir.

Q. Were not that investigating committee investigating as to who got the laboratory money?

A. I supposed that was what they were doing.

Q. Was not the conversation you now testify to material to that inquiry?

A. I should not think [so] when they had stated to me that they were going to hold him responsible for the deposit money and the stubs represented by the letter *D*.

Q. Had it no bearing on the question as to who got the rest of the money?

A. I don't know as I understand the purport of the question sufficiently to answer it.

Q. If Dr. Douglas made the statement which you have testified to here, did not that have some bearing upon who got the rest of the money?

A. I cannot understand the purport of the question enough to answer it.

Q. Did you ever state this conversation with any of the Regents, and if so, when and to whom?

A. Which conversation?

Q. The conversation with Dr. Douglas.

A. I stated it to Dr. Rynd.

Q. Did you tell it to anybody else?

A. I think not.

By Mr. Hinchman:

Q. What action did the Regents take on the report of your committee?

A. The action they took was to refer the report to the finance committee.

Q. The finance committee reported?

A. The finance committee made the report,—the McGowan-Grant committee. I requested the Board of Regents that the finance committee carry on the investigation and complete it, and it was referred to them. I do not understand that they have reported on it yet.

By Mr. Taylor:

Q. You say the deficiency in '64-5 is \$57.02. Was any portion of this sum reported and accounted for by Dr. Douglas in the next year? If so, what portion?

A. There was. There was Bennett or Barnet, \$14.92, and a blank amount, \$17.10; that is, where the name should have been it was blank, which has since been put in with a pencil.

Q. Assuming that the accounts of Tibbetts and Bennett are thus accounted for, what deficiency would be left in the year?

A. We took that method of computing the deficiency. I should carry back into the year '63-4 the \$37.06 from that year, which is not credited in the year '64-5, and it would make the deficiency \$5 and some cents more than the \$57.02. It would make the deficiency of '64-5 \$62.06.

Q. If the sum of \$104.25 placed to the credit on the forfeited account were placed to the credit of Purdy, Calvert, and Ayres, or so much of it as is necessary to cancel this, would there be any deficiency in that year?

A. I never tried it. I could not find any reason for so placing it. I did not make such use of that \$104.25.

Q. In whose handwriting are the delinquent accounts in '65-6?

A. The delinquent accounts in '65-6 (G. S. White \$26.60), you will find \$10 in Mr. Lewis' handwriting and \$16.60 in Mr. Rose's, F. M. Smith, \$43.80.

Q. By whom are they settled?

A. I have not determined that. I determined the interest, in whose handwriting they were, whether in S. H. Lewis' handwriting or P. B. Rose's, as near as I am able to determine by the difference in that handwriting. I can give that.

Q. What delinquent accounts are represented by Rose's handwriting, and what in Lewis'?

A. I could testify as according to the best of my knowledge or judgment, exactly who received the money, whether Dr. Rose or Dr. Lewis.

Dr. Douglas—I would like to have the books produced, and the committee can determine as to who closed the accounts?

A. I met 19 delinquent accounts.

Q. Will you be prepared to-morrow afternoon to answer this question?

A. Yes, sir.

By Mr. Mills :

Q. You spoke of a preliminary examination: did you mean by that an examination of the books, accounts, and papers previous to '64.

A. What I meant was, the preliminary work was developing a plan for doing the work and hunting up the books and papers and the card vouchers. We found them in almost every place you could imagine.

Q. Did you make any examination of the books and papers previous to 1864?

A. I made an examination of 1863-4, enough to determine the names of the persons whose accounts were brought forward from 1864-5,—that were paid in 1864-5.

By Mr. Newcomb :

Q. You testified that there were certain unsettled accounts between students and the laboratory at the first of July, when your report ends, that were paid in the next five or six days. The fact that they were not paid at that time,—not settled,—did it increase the balance due the University from Dr. Douglas?

A. It would increase the balance due the University.

Q. From Dr. Douglas?

A. Unless he has disbursed money.

Q. Did you treat those accounts the same as though they had been paid?

A. We treated the accounts of the school year, running up to the last day of June or thereabouts, as though they were all paid.

Q. Whether they were paid or not?

A. Yes, sir.

By Mr. Taylor :

Q. Were you present at Ann Arbor during the sessions of the committee? If so, for how many days?

A. I could not say.

Q. How long have you been in attendance here?

A. I left home to attend the session of this committee about four weeks ago.

Q. Here at this place?

A. I came here Tuesday evening of this week.

Q. Why did you not testify before Regents Grant and McGowan were beyond reach?

A. Because Mr. Pond was not present at Ann Arbor when I took the stand. I was sworn and would have testified then if I had been allowed to.

Q. Have you ever investigated Dr. Douglas' accounts of his traveling expenses to New York?

A. I have read them over in his annual statement.

Q. How much was he allowed?

A. I think from \$77 to \$114, if my memory serves me right, going to New York, Boston, and Philadelphia. I think \$114.

Q. How much did it cost you to go to New York?

A. I have got the exact figures. I should prefer to testify to them. I think it was \$67.

Q. Did you take second-rate fare?

A. No, sir. I went at the expense of the University.

ANDREW CLIMIE RECALLED—FEB. 16, P. M.

By Mr. Taylor :

Q. Have you those statements prepared which you were requested to prepare? How much money not represented or represented itemized by vouchers did you strike out of Douglas' reports?

A. On my looking over the report I think it was \$100 to Rose, as I understand the question.

Q. Did you find any other items for which there was not a voucher? if so, what are they?

A. What items? I found items of expenses to New York, Boston, and Philadelphia, and to the pharmaceutical association.

Q. What was the total of that?

A. I did not determine that. I did not understand the question to include that. I asked that the questions in writing be furnished me. I could not tell without figuring it up.

By Mr. Hinchman :

R. What was the largest amount you found for traveling expenses to New York?

A. I could not say. I think the largest amount for traveling expenses was in '74-5,—expenses to New York, Boston, and Philadelphia, \$148.

By Mr. Taylor :

Q. Were there any items for which there were not vouchers except the \$100 paid to Rose, and traveling expenses and like items, for which vouchers are not generally given?

A. I think there were no vouchers for the interest accounts, the expenses to New York and Boston, and for the percentage for commissions on superintending buildings, and the amount to Rose, and expenses to the Pharmaceutical Association. I am not positive in regard to any small items that might appear without any further examination.

Q. Will you explain how vouchers could be given for interest account?

A. I did not say that they could be given, I said that there were items in the account for which there were no vouchers.

Q. Was your committee empowered by the resolution under which you acted to disregard items credited in this account at your discretion? If not, what was the limit of your power in that respect?

A. I understood the resolution to be conformable to the request of Dr. Douglas for a thorough investigation of his accounts, and any items which had been erroneously charged, or any errors that might have occurred, the committee had power to report them as errors.

Q. Were you empowered to disregard items in these accounts simply because you did not find vouchers for them?

A. I did not so understand that we were empowered to do that. We did not disallow accounts simply for the lack of vouchers, but from other circumstances in connection with them.

Q. Were you empowered to disregard commissions charged simply because you thought they had been improperly allowed, in your opinion, by the Regents?

A. In disallowing the commissions I took the two grounds. I so understood the power of the resolution, and I also looked over and examined the reports; and where I could find no authority for granting commissions I disallowed them.

By Mr. Mills:

Q. Do you mean to say you disallowed the commissions that were authorized?

A. That is what I have said.

Q. Do the aggregates of credits disallowed by you go to increase so much the amount of deficit as found by you?

A. Yes, sir: certainly.

Q. In making up total of deficit as found by you, what is the total of credits in Dr. Douglas' annual accounts rendered which you struck out and disallowed?

A. I could not tell without figuring it up.

Q. Was not the auditing of Dr. Douglas' accounts by the board an acknowledgment that such charges were correct and just?

A. I did not so understand it from the resolution under which we acted.

Q. Did Dr. Douglas report any moneys received from students where there were no vouchers? If so, name them?

A. I could not without an examination of the books. I think there are cases, but I could not name them, and I could not say for certain whether there are cases or not without further examination.

By Mr. McArthur:

Q. Do you mean to say, if [that?] these amounts which you disallowed would affect the laboratory deficit, or the standing of Mr. Douglas' report with the University annually?

A. I understood it to affect the report as made by him in March, —the deficiency reported by that report.

Q. You treated it all as a laboratory deficiency?

A. Yes, sir.

By Mr. Taylor:

Q. Are not the June meetings of the Board of Regents held on the Tuesday preceding the last Wednesday in June, which is the day before commencement?

A. I think they are.

Q. Does it not appear by the record that Dr. Douglas reported to the Regents in every year except '74-5?

A. I could not say. I have not examined the record in detail on that point.

Q. If he did, could he embrace in his report for any year accounts settled in the subsequent days of June in that year?

A. He could not.

Q. Are there not a large number of accounts settled every year in the last days of June?

A. I think there are a large number of accounts settled in the last days of June.

Q. In making up your report did you not treat as delinquent of each year all accounts paid between the Tuesday preceding the last Wednesday in June and the close of the month,—those subsequently accounted for?

A. In making up my report of March 28th, we took the year commencing with the school year from the ledger, made an abstract back of that, and carried it forward to the termination of that school year or fiscal year, charging against the laboratory account the amount of moneys that the ledger shows, crediting Dr. Douglas with the disbursements.

Q. In making up your report did you not treat as delinquent each year all accounts paid between the Tuesday preceding the last Wednesday in June and the last of the month—those subsequently accounted for?

A. In making up my report I did not.

Q. Is not this the way in which you made out the greater part of your alleged delinquency before Rose's time, and in which you made the delinquency of '74-5 the amount of about \$1,400, instead of about \$800?

A. I cannot answer the question in the manner in which it is put.

[Question repeated.]

A. They are not alleged delinquencies; they are actual delinquencies up to the 30th of June or the 1st of July.

Q. Is that the way you made them out?

A. Read the question again.

[Question repeated.]

A. No, sir; I have stated how we made out the delinquencies before Rose's time.

Q. And by which you made the delinquencies in '74-5 amount to about \$1,400 instead of \$800?

A. We made the delinquency on the 30th of June 1,400 and some odd dollars, in the manner that I have stated.

Q. In making that delinquency did you include about \$600 of accounts accounted for and paid by Dr. Douglas in the next year?

A. I could not say the amount. We only took what he accounted for up to the 30th of June or the First of July, or the 29th of June,—the date of his annual report.

Q. Was it fair to represent to the Regents and to the public, as you did in your report, that the accounts, which the record shows were paid, were delinquent?

A. That is a matter of opinion. Do you require me to give my opinion on those matters if I am under oath?

Q. If a forfeited deposit represents an amount of money placed to the credit of the University by Dr. Douglas, that has been received from the students who have left the laboratory without a final settlement of his accounts, and without giving any intimation of his ultimate design of returning, is there any way of determining when it shall be declared forfeited, except by lapse of time?

A. That is a question of the same nature as the others. The term "forfeited" does not represent a matter that we dealt with. Of course it would be a matter of opinion. \$10, after it came into the laboratory, was \$10 that be-

longed to the University, and I made my work on that basis, and should express my opinion in that direction.

Q. I want to know on what hypothesis?

A. That is a matter that I decline to give unless the committee compel me to.

By Mr. Mills:

Q. I have no objection to hearing his opinion.

Q. Express your opinion what a "forfeited" deposit represented. If a forfeit deposit represents an amount of money placed to the credit of the University by Dr. Douglas, that has been received from the student who has left the laboratory without a final settlement of his account and without giving you intimation of his ultimate design of returning, is there any way in which it could be declared "forfeited" except by lapse of time?

A. There is. You will find in section 9, chapter 8, of the by-laws of the University, a by-law heading, "Forfeiture of moneys:" "Any student leaving the laboratory before the three months of prescribed study has transpired, shall forfeit all money to his credit." That is my opinion, and that is the law.

Q. That is the law that you went by in making up your report?

A. No, we did not take an account of that. We turned [treated?] all moneys paid in as moneys belonging to the University.

By Mr. Phelps:

Q. In the making of that account you took no account of anything but the \$10 that had already been paid, did you?

A. In making up the March report we took account of moneys that the ledger of the laborator showed to have been paid into the University.

Q. Of all the moneys that had been paid?

A. Yes, sir.

By Mr. McArthur:

Q. If the student had overpaid his account, as appears by the ledger, the [you took?] account of it as University money?

A. Yes, sir.

By Mr. Taylor:

Q. Then, as a rule, should not accounts from oldest date be first credited by Dr. Douglas to the University as forfeited?

A. I desire to make another explanation to the committee,—that I did not treat any money paid into the chemical laboratory as moneys belonging to, or controlled by, or in the hands of, Dr. Douglas; but moneys belonging to the University of Michigan in the department of the chemical laboratory; so treated them and so made up my report of March.

Q. How do the books show that Dr. Douglas was in the habit of treating these accounts?

A. The books do not show at all.

By Mr. McArthur:

Q. He had not balanced the books, had he?—in an account of that kind?

Mr. Beal—I guess you will find that in the special reports.

By Mr. Taylor:

Q. Were not these deposits afterwards treated as forfeited carried out on the ledger as of the date when they were paid to Dr. Rose, or do they not purport to be so credited?

A. They purport to be so credited on the ledger, if I understand the meaning of the word "purported" they do.

Q. Ought not the credit of \$104 for sundry forfeitures, without specifying items, to be applied to the accounts of the earliest date to which they could be applied?

A. Not in my judgment.

Q. Why not?

A. From the investigation I made of the matter I determined that that was a wrong basis to account for the \$104.25, and I gave the method that I had worked out of accounting for the \$104.25 on the first afternoon of my examination, and made an exhibit of the paper.

Q. Why, then, did you not apply it to the accounts of Bennett, Austin, and Lyman, instead of the accounts of Purdy, Calvert, and Aris, which are of earlier date?

A. I applied it to the accounts of forfeitures that occurred within the year.

[Question repeated.]

A. My investigation led me to determine that that was not the correct way to apply it.

Q. If this credit of \$104 was so applied to the accounts of Bennett and Tibbits, which were accounted for by Dr. Douglas in his report of the next year, is eliminated, would there be any deficit for '64-5? and if so, how much, and consisting of what items?

A. I could not tell you unless I made a statement by figures.

Q. Can you make it?

A. I can.

Q. What application did you make of the credit of \$104 in making up your report?

A. None at all. We did not make use of such things. I ask to see the book that we made up our accounts from first.

[Witness examines the book.]

A. I will ask a little time to look that matter up. I think my first answer was right. I shall have to look at the record through those years to determine that.

Q. Then you did not allow the credit of \$104 at all, did you?

A. I shall have to take time to examine it.

By Mr. Hinchman:

Q. Did you take an inventory of the laboratory?

A. To answer that I would have to tell you what we did do.

Q. Tell us what you did do.

A. We took the bills of different manufacturers of chemicals and apparatus for the years that we could find them, and sat down and looked them over, and Dr. Douglas would state to me what instruments were still in the laboratory and what value he put upon them.

Q. Was it cost value or present value?

A. I am not able to determine. I think cost value part of the time, and part of the time he said it was what they were worth. We looked the matter over in that way and figured it up.

Q. What did it all amount to?

A. It amounted to about \$30,000, I think.

Q. Have you the figures preserved?

A. I think I gave them to the McGowan-and-Grant committee; I am not positive.

Q. Did that include any part of the buildings?

A. No, sir; I think not.

Q. Heating apparatus?

A. I think not.

Q. You think it was about \$30,000?

A. I did make that estimate. The figures footed up about \$30,000.

Q. That included all the fixtures of all kinds?

A. I stated we took down the items of those bills. I did not examine each article separately by itself to know whether they were there or not. I would not have been competent to judge, not being conversant with the value of such articles.

Q. You think it was not a correct inventory then?

A. I did not so estimate it. It was a mere estimate based upon that way of getting at it.

Q. Did you ever make an estimate of the whole amount of commissions paid to Dr. Douglas in his official reports and in the laboratory reports?

A. I have made it.

Q. What do they amount to?

A. I could not tell you now. I have placed it on paper.

Q. Have not got the paper with you?

A. I have not. We have so many papers—I can make it up if you desire it.

Examiner—If you can present it at another meeting we would like to have it.

By Mr. McArthur:

Q. You say you did not give Dr. Douglas credit for this \$104 in making out the deficits. Did you not take into account the items that made that up?

A. In making up the account we took the moneys as paid in according to the laboratory ledger. I am not wholly satisfied with our statement of that \$104.25.

Q. If that was meant to cover some of these receipts from students you did take it into account?

A. That was some of those ledger accounts we did take into account. I think it was. I am not positive.

By Mr. Taylor:

Q. Please show the committee the lists for the year '64-5 made out by Tre gaskis when you made your report for that year.

A. They are here in the abstract book,—the abstract of the ledgers. I stated yesterday twice,—I think I have stated three times,—that these two accounts, \$1,492 and \$1,710, were reported in the next year.

Q. Was that memorandum there when you made up your account?

A. I think it was.

By Mr. Newcomb:

Q. Was there anything reported in this year that should have been, according to your calculation, reported the year previous?

A. There was \$3,706, of course, that should have been reported in the year previous that is credited in the year '64-5.

Q. Which more than balanced?

A. Which would make the deficit \$62.08 instead of \$57..

By Mr. Taylor:

Q. Applying the credit of \$104 to the deposits of earliest dates in '64-5 and '65-6 not otherwise accounted for by Dr. Douglas in '66-7, are there any delinquent accounts in '65-6 which do not appear on the ledgers to have been settled by Dr. Rose?

A. The delinquent accounts show how much money was received by Dr. Rose in that year, and how much money was received by Dr. Lewis, which will answer that question fully. I can give the committee that statement if they desire me to.

[Question repeated.]

A. There are delinquent accounts in the year 1865-6 which do not appear to have been settled by Dr. Rose.

Q. Did Dr. Douglas ever furnish you with a statement of what he thought the delinquent accounts were for 1865-6, and what his idea of a delinquent account was?

A. He furnished me a statement of the delinquent accounts of [1863-4?] and of 1864-5, which I have not been able to find. The one of 1865-6 is here.

Q. What did he say they consisted of?

A. I will submit it to the committee, being in Dr. Douglas' handwriting.

Q. Give us your best judgment of what would be the effect in such a case as that referred to above with reference to the \$104?

A. I could not tell without making the figures. I have made no figures based upon any such hypothesis.

By Mr. Mills:

Q. Please repeat on what hypothesis you accounted for the \$104?

A. In the report we made in March we took the ledgers of the chemical laboratory and made an abstract of them, giving the amounts of money received from the students which would include the \$104.25.

Q. Why did you not apply the credit to the deposit of the earliest date, in '64-5 and '65-6, on the hypothesis that has been received?

A. As [Because?] I assumed to take up the matter in my report, commencing my account with the fiscal year of 64-5, running through that year, closing it up the 30th of June or thereabouts.

Q. Wherein would the opposite hypothesis have led to a different result in your opinion, or from your examination?

A. I have not been able to figure on that kind of a hypothesis, and would be unable to tell.

By Mr. McArthur:

Q. You could take the books and find out whether there was more than \$104, or less than \$104, deficit before Dr. Rose's time?

A. I should want to go back to the beginning of them if I did.

Q. In the time that you went over, I mean?

A. Yes, sir, I could. I will do so if the committee desire it.

By Mr. Hinchman:

Q. Did you endeavor to find just where that \$104 belonged?

A. I repeat again that the credits of the chemical laboratory were taken from the books of the laboratory, so that the credit on Dr. Douglas' annual statement, unless it was for chemicals, or apparatus, or certificates, or warrants, or

something outside of receipts from students, we paid no attention to his annual statements,—unless it was something that was not on those books.

By Mr. Taylor :

Q. Upon the hypothesis of Dr. Douglas would you not have to carry the \$104.25 back through two reports, each of which reports forfeits, and place it where Douglas claims?

A. Yes, sir.

Q. Are you an expert accountant?

A. That is another matter of opinion.

Q. What experience have you had as an accountant?

A. I have had experience since I was sixteen years old in keeping books. I have kept books in a mill three or four years, was a general accountant and book-keeper in a mercantile establishment three or four years more ; I did business for myself, and have been supervisor of the town of Leonidas for seven or eight years, and worked about six months on the accounts of the chemical laboratory of the University of Michigan.

Q. What measures for the improvement of the method of managing the finances of the University did you ever bring forward in the Board of Regents?

A. I have objected to the system in vogue at the time I was on the Board, and it has been somewhat improved ; and I have advocated further improvements so that no money could be paid out except by disbursing officers, and received by receiving officers, and it should be by a system of checks and vouchers which would take two men at least to attend to it.

Q. If you thought the mode of managing the finances of the University was objectionable, why did you not bring forward some measure to improve them?

A. I have done so, and to a certain extent it has been adopted.

Q. Can you point to anything in the records showing any transaction on your part?

A. I cannot.

By Mr. Hinchman:

Q. Were the records ever properly kept?

A. I think not, since I have been on the Board of Regents.

Q. Was there ever a record kept of the meetings of the Regents?

A. I could not say. I know of some meetings of the Board of Regents where I have made motions, that were supported and properly put before the Board, that do not appear upon the records.

Q. Have they a record book?

A. Yes, sir : they have printed records. They are kept, I think, in the form of memoranda by the secretary, and then re-produced at the next meeting of the Board in a printed form, pamphlets like these which you have on your table.

Q. Did they ever keep any record properly signed by the president and secretary?

A. I think the records are only signed by the secretary.

By Mr. Taylor :

Q. Was Judge Douglas present at the meeting of the Board of Regents in March, when your committee reported?

A. I think he was.

Q. Was he permitted briefly to address the Board on behalf of Dr. Douglas?

A. I think he was.

Q. Did he not in such address earnestly protest against the injustice of your committee's report on the ground of its tendency to convey the impression to the public that Dr. Douglas had embezzled the laboratory deficit?

A. I think he did, although I am not positive in regard to that matter.

Q. Did he not insist that as a matter of civil justice such a report, having been made, the Board of Regents should then and there investigate the facts and ascertain in whose hands the laboratory money was?

A. I could not say whether he did or not. I think it was done.

Q. Was it not, after consultation among the Regents, concluded that it would be impossible for the full Board to remain together such a length of time as would be required for such an investigation, and thereupon a reference of the matter was made to the Grant, McGowan, and Estabrook committee?

A. I think it was upon a suggestion or a motion made by myself as chairman of what is known as the "Climie-Rynd committee" that the further investigation of the matter would be continued by the finance committee of the Board of Regents, and it was so done. That is my recollection of the disposition of it.

By Mr. Phelps :

Q. What is the date of this talk?

A. The 29th of March, 1876.

By Mr. Taylor :

Q. Did you not suppose at that time that this committee should be continued as the finance committee of the University?

A. That was my opinion of the matter.

Q. Were there any private matters between you and Dr. Douglas, or between you and Mr. Beal, or any other persons, that influenced you in the making of your report in March?

A. No, sir.

Q. The figures which you have made, and the report which you made, were according to your best judgment and knowledge and belief?

A. Yes, sir; that, figures will substantiate.

Q. Did you testify in the investigation in June last?

A. I did.

Q. You had made your report, and had performed your work in regard to the report, and had performed your work in regard to these records, before that investigation?

A. We had not completed the work. So far as we had gone, we had done that part of the work.

Q. Were you questioned at that time in regard to these accounts, books, and papers?

A. I think not at all.

Q. Were you ready to testify in regard to them?

A. Yes, sir.

Q. After the publication of the article in the *Courier* referred to, did Dr. Douglas absolutely refuse to have any private interview with you on any subject?

A. I can't answer that question. I can tell you when he did refuse a private interview with me.

Q. When?

A. I was appointed chairman of the chemical laboratory committee and the buildings and grounds, and I found, when I went to Ann Arbor, that the disbursements had exceeded the receipts of the chemical laboratory, and said to Dr. Douglas that if he would step in the President's room I would suggest to him that that must stop, or I must resign my position as chairman. That committee and he declined, unless in the presence of Mr. Bennett. I called Mr. Bennett in and made the same statement to him in regard to the purpose of some balances; and if the balances had not been shipped "you must revoke the order." If I remain chairman of that committee the disbursements must not exceed the receipts.

Q. Did you not take him into a closet to have a conversation with him, and did he not refuse to have any conversation with you in that closet?

A. I did not take him in: he walked in himself.

Q. Who went in first?

A. I went in first and he followed me in, and I wanted to shut the door. I did it as a mere matter of courtesy to him, not wishing to hurt his feelings,—to tell him that the disbursements of the laboratory must not exceed the receipts.

Q. Did he there refuse to have any conversation with you in that closet?

A. I called Mr. Bennett in there, and we had the conversation that I stated.

Q. Did he refuse to have any conversation alone with you?

A. We had a conversation. He talked about what had been published in the newspapers, and that it did not look very well for us to be talking by ourselves; and I went out and got Bennett to come in and stand there and look on. I went out and got Bennett, and asked Bennett to come in, and he came in.

Q. Into the closet?

A. It is not a closet; it is a small room about eight by ten,—a room off the President's room. I don't think I could take Dr. Douglas into a very small closet unless he wanted to go.

DR. ROSE RE-CALLED—FEB. 16, P. M.

By Mr. Taylor:

Q. Can you find the account of Geo. E. Pantlind?

A. Give me the ledger of '74-5.

Q. Is his account a stubless delinquent account?

A. It is. There never was any voucher for it.

Q. Did not Mr. Pantlind take a regular deposit ticket?

A. No, sir.

Q. And on the final payment of his bill sign a certificate and return it to you?

A. He never had a regular deposit ticket; he never signed one, and never returned one.

Q. Did he ever have but one account?

A. Never but one account. I think he was never in the laboratory but once during his senior year at college.

Q. Did he ever take any ticket?

A. No, sir.

Q. Did't he ever take any subsequent deposit ticket?

A. No, sir; I think not. If he did the stubs will show it. I think there is none; that is my recollection of it. He never had a subsequent deposit ticket.

Q. Did he ever pay any money?

A. He paid \$17.85. His account is balanced and entered directly on the ledger.

Q. If he had taken a ticket it would [be?] shown by the stub?

A. Yes, sir.

Q. Unless the stub was destroyed.

A. There never was a stub destroyed,—that is, to my knowledge—unless it has been destroyed lately.

Q. J. H. Shepard?

A. James H. Shepard has an account amounting to \$13.65.

Q. An unsettled account?

A. Yes, sir.

Q. Did he ever settle his account with you?

A. Not that I know of.

Q. Or with any one else?

A. Not that I know of.

Q. Did he not have a certificate?

A. No, sir; there is none entered on the ledger, and therefore I infer he never had any. If he had it would be entered here.

Q. S. W. Graham?

A. There is E. W. Graham. There is no S. W. Graham in that year. E. W. Graham has an account of \$15.80.

Q. Unsettled account?

A. Yes, sir.

Q. Did he ever have a certificate?

A. Not that I know of.

Q. A stubless account?

A. A stubless account. There has never anything been paid so far as I know.

Q. In regard to the \$100 which appears on Dr. Douglas' report as paid you without a voucher,—was there ever any understanding between you and Dr. Douglas if that was paid you for an increase of salary, subject to the approval of the Board?

A. No, sir; and it never *was* paid me, either. There was no understanding or anything of the kind, and I never had the money.

Q. What was your salary that year?

A. \$800; \$500 paid from the University by warrant drawn by the Secretary, and \$300 paid from the laboratory, for which I gave Dr. Douglas vouchers. I received it in quarterly payments of \$75 each.

Q. When was that credited,—the \$100?

A. 1868–9.

Q. When was your salary first increased?

A. It was increased at the beginning of the year 1868–9, commencing with October, 1868. At that time I received \$800; \$500 from the University and \$300 from the laboratory.

Q. When was your salary next increased?

A. It was increased the next year, beginning with October, 1869. It was increased to \$1,000, which I drew directly from the University by warrant, nothing from the laboratory. I might say here in regard to that, that at the close of the year '69–'70, Dr. Douglas came to me and asked me if that \$200 was to continue from the laboratory. I told him I did not know. There had been

a new deal by the Regents, raising it to \$1,000, and probably the \$200 had dropped off. He said he had just received a warrant from the Steward. He did not know what else it could be unless it was for that; but I never received any money on it.

By Mr. Hinchman:

Q. Who fixed the prices of chemicals in the laboratory for the students,—yourself or Dr. Douglas?

A. It was done on consultation with Dr. Douglas. Usually in the beginning of the year I would speak to Dr. Douglas. That was more particularly the fore part of the time I was in there. At that time the percentage was 50 per cent. added to each man's account, and I said to Dr. Douglas frequently that that was more than was necessary,—more than it ought to be, and asked him that it might be changed; and it was changed from time to time; but for the last year or two I don't think there has been anything said to him in regard to the price.

Q. Were the chemicals charged at the absolute cost?

A. Oh, no.

Q. How much larger than the cost? what percentage?

A. Some articles were 400 or 500 per cent above cost.

Q. Had you any price-list of the re-agents in the laboratory?

A. Rohrbeck & Goebeler's retail price-list printed in the back part of their catalogue.

Q. Was that followed?

A. No. I don't think there was much regard paid to it. The prices of re-agents have been the same for years, I think,—ever since I have known anything about the laboratory.

Q. You think that 400 or 500 per cent, was charged to the students?

A. On some articles I know as much as that.

Q. What would it average?

A. I should say that the re-agents that students used, without stopping to figure it, would average in the neighborhood of 200 per cent.

Q. That was clear profit to the University?

A. Certainly it was.

By Mr. Newcomb:

Q. Did that include the fifty per cent added?

A. No, sir: it did not include that. The percentage is over and above *that* yet. If you want it I can give you exactly the figures on re-agents,—such as were used on their tables.

By Mr. Hinchman:

Q. If you can make it up, the committee I presume would like to see it.

By Mr. Hayes:

Q. What would be the average profit on all the chemicals?

A. As dealt out to the students I think it would average 200 per cent. Where they were sold to outside parties in the original bulk the percentage was simply given at ten or fifteen per cent on the catalogue price.

Q. I mean to the students?

A. It would average 200 per cent.

Q. Above the retail price?

A. Above the cost price.

By Mr. McArthur :

Q. One dollar of cost would make three dollars as sold?

A. Some of them much more than that.

Q. That is an average?

A. Yes, sir.

By Mr. Newcomb :

Q. Wasn't it necessary to add a pretty large percentage to cover breakage?

A. On chemicals there would be no breakage. On glass-ware there was always more or less breakage, but the amount of breakage was very small. The things came so packed that the amount of breakage was very small.

By Mr. Taylor :

Q. Was not the price list of Rohrbeck & Goebeler constantly before students, and were they not told that those were the prices, adding ten per cent to the catalogue price?

A. Rohrbeck & Goebeler's catalogue was there if any of them wished to look at it. It is in the back part of the catalogue of the printed list of Rohrbeck & Goebeler's retail price of those re-agents, and the prices we charged did not vary a great deal in that.

[Question repeated.]

A. What do you mean by being "constantly before them?" That it was posted up anywhere?

Q. Accessible.

A. As I said, it was in a drawer in my desk. If any of them wish to see it and call for it they got it.

Q. Did they ever call for it?

A. Occasionally a man; probably one man in the course of the year; not more than that.

Q. Was not this fact so posted in the laboratory?

A. Not that I remember of.

Q. Was it not so stated in the catalogue?

A. I think of late years there has been something in regard to it, I don't remember what. There was nothing said unless the student wished to look at his account. He had the privilege to come around and examine his account. The percentage marked on the ledger, just as you see it in that case. If he asked what that percentage meant, he was informed that was the difference between greenbacks and gold. Those were my instructions from Dr. Douglas.

By Mr. McArthur :

Q. The instructions were, to explain it, that that was the difference between greenbacks and gold?

A. That is the way I had to explain it to students.

By Mr. Hayes :

Q. This 200 per cent is not over Rohrbeck & Goebeler's retail price?

A. I said that was 200 per cent. above the cost of the article.

A. What would it average above the retail price?

A. It would not average a great deal above that retail price. I said 200 per cent. on the cost price of the article. I do not exactly remember what their retail price is.

By Mr. Taylor :

Q. Did not all connected with the laboratory consider themselves bound by the action of the Regents in regard to the prices of chemicals?

A. I never heard anything said in regard to it.

Q. Did you not in making up the bills, sometimes make the price as you saw fit?

A. Making up what bills?

Q. To the students.

A. When a student was there during the whole year, and had a very large account, I frequently would omit the percentage, and charge him the face of the article without charging him the 10 per cent.; when a man had been there a whole year, and run a large bill, I would frequently omit the percentage.

By Mr. Mills :

Q. You mean to say you would exercise your own discretion, your own judgment in regard to the prices charged?

A. In that respect, as far as that was concerned, I usually charged him a percentage; but where a man had a very large bill, and was in there a whole year, or perhaps it might be the second year, I would exercise my own judgment in that respect,—take that responsibility, with the advice also of Dr. Prescott.

By Mr. Taylor :

Q. Did Dr. Douglas know anything about that manner of doing business?

A. I don't know whether he did or not; I could not say positively. Dr. Prescott did. I had more conversation in regard to prices with Dr. Prescott than I ever had with Dr. Douglas.

By Mr. Phelps :

Q. In marking these goods you took the New York bills as they were sent, to mark the 200 per cent?

A. Those goods were not marked. You took the solid re-agents and made them up into solutions, and they are dealt out usually in the soluble form.

Q. Did you depend upon your memory to charge? You say the goods were not marked.

A. They are marked at a certain amount per ounce each article. For instance, hydrochloric acid has a regular price, nitric acid another, and sulphuric acid has its price.

Q. Was the charge of 200 per cent above the New York bills?

A. Yes, sir.

Q. How did you determine that price? Had you the price list before you?

A. I will give you an example, and you may judge for yourselves. Suppose I take a bottle of hydrochloric acid, which contains seven pounds of acid. That acid cost about 22 cents a pound. You can figure that: It would be \$1.54. The bottle would cost 25 cents: That makes \$1.79. Now, when that is made out into a re-agent, it makes 160 ounces. It is dealt out to students at five cents an ounce: That would be \$8. Then you add 10 per cent to that and it would make \$8.80. It cost originally \$1.79. You take that out and you have the profit.

Q. To that amount you added 50 per cent?

A. In earlier years. In later years it got down to 10 per cent.

Q. Do the books show the percentage which you say was charged?

A. Sometimes they do. I will state that I did not usually put in the per-

centage, because I was ashamed. The amount of per cent is added,—put in in bulk. For instance, in this case the percentage is \$1 on this man's bill.

Q. On the items of the account?

A. When I would foot up the whole amount I would add the percentage on that.

Q. I mean, do the books show the percentage which you say was charged on those items of account over and above the catalogue price?

A. Yes, sir. The items that are given on the ledger in red ink is a percentage which is supposed to be 10 per cent. That item is the percentage on the catalogue price,—what was charged to students. It might have been the catalogue price or a very little more.

By Mr. Phelps :

Q. Do you know whether the New York bills were paid in gold?

A. I never supposed they were. The bills did not show it. I never knew anything only what the face of the bill shows itself. I never saw his voucher for them. I always supposed they were in currency.

By Mr. Taylor :

Q. The percentage was taken out,—was it not?

A. There was no percentage marked on there.

Q. The difference in the price of gold and currency?

A. I suppose the bills were billed in currency. There is nothing said about gold or currency on them, I think, according to my recollection.

By Mr. Phelps :

Q. For how many years have you charged this 50 per cent on gold?

A. It was 50 per cent when I first went in there. My recollection now, without looking at the books, is that the 50 per cent was only charged one year. At the beginning of the next year it was dropped to 40, and then down to 30, 25, and 15, and finally down to 10 per cent.

Q. That would show the falling in gold?

A. Yes, sir.

By Mr. Taylor :

Q. How do the present items compare with the catalogue price, and did you not charge these items from memory without reference to the catalogue?

A. The price list was the list furnished me when I went in there. The price of chemicals had not been altered in that, only the percentage was altered. The price per case of each of those reagents had not been altered since I first went in there. I simply went to the list which I found there when I first went there.

Q. Did you know any thing about how these prices charged for these chemicals correspond with the prices charged in other institutions?

A. I don't know any thing about other institutions.

By Mr. Phelps :

Q. What per cent of change has there been in the cost of these chemicals since you first went there?

A. I could not tell you without looking at the bills.

Q. Ten, fifteen, or twenty per cent?

A. I think not.

Q. Not over ten per cent change?

A. I don't think it is more than that.

By Mr. Hinchman:

Q. Here are the ledgers for four years; see if 50 per cent is not charged on all of those four years.

A. I find as far as January 9, '71, 50 per cent was added, running back as far as '64.

By Mr. Hayes:

Q. Were the students given to understand that they were getting those chemicals for about cost?

A. I suppose they would understand from what is in the catalogue, if there is any thing in that. I don't remember the wording of it.

Q. Did you ever hear students complain?

A. Occasionally a man would complain.

By Mr. Newcomb:

Q. Don't you believe they would have complained if they had got them at cost?

A. Possibly some of them would.

RICHARD TREGASKIS RE-CALLED.—FEB. 18.

By Mr. Taylor:

Q. Where do you reside?

A. In the city of Detroit.

Q. What is your business?

A. I am an accountant, sir.

Q. How long have you followed that business?

A. I have worked at that business for 25 years.

Q. You have had considerable experience in settling intricate accounts?

A. I have, sir, of every description.

Q. Were you employed by the Board of Regents to investigate the accounts of the laboratory?

A. I was, sir.

Q. When?

A. I think it was on the 13th of January, '76.

Q. Who employed you?

A. Regent Rynd and Regent Climie.

Q. When did you commence work?

A. I think I commenced work immediately. It seems to me it was on or about the 13th. I cannot speak from memory exactly: it was somewhere about that time.

Q. 13th of what month?

A. January. It was at night when we made the arrangement. It was on or about the 13th of January. I commenced immediately after being engaged.

Q. Who gave you directions in regard to your work?

A. It was left to a great extent to myself.

Q. It was?

A. Yes, sir; to a great extent.

Q. What did you find in the investigation of those accounts, and what work did you perform? How did you go to work at it?

A. We first of all took the ledger that we found at the University, and took as a basis the amounts credited.

Q. Who do you mean by "we?"

A. Regent Climie worked with me during the whole time I was there. We took the moneys found credited on the ledger as a basis of actual receipts of the University.

Q. How much money did you find credited on the ledger?

A. I did not finish exactly. I was going on to repeat the method. We first took the credit on the ledger, then we took the payment of the vouchers which were supposed to represent the amount of money received during each fiscal year, then we checked Dr. Douglas' report with those vouchers, and then we compared the stubs corresponding, which were all represented in the abstract. We found the account of each individual from beginning to end. The abstract covered the period of 12 years.

Q. How much money did you find as paid to this University in the laboratory into Dr. Rose's hands?

A. We did not discriminate as between Dr. Rose and Dr. Douglas. We found the amount of money received and the amount of money accounted for, and the deficiency, without regard to which hands it was in, whether Dr. Rose's or Dr. Douglas'.

Q. Have you ever found [to whom?] this money first came?

A. As I understand, it all came into the hands of Dr. Rose,—represented so to me: came through that channel.

Q. How much money did you find as having been paid in that should be accounted for?

A. Allow me to correct myself a moment. I said the examination covered a period of twelve years, and that all the money came into the hands of Dr. Rose not during the twelve years, because there was Mr. Hough and some other gentlemen that preceded him.

Q. Answer the question which I asked you: How much money did you find as having been paid into the laboratory should be accounted for to the Regents?

A. It is tabulated on one of these books. You allude now to the report of the Climie-Rynd committee?

Q. I allude to your work,—what you found?

A. I have worked on this matter under two committees, and the accounts are brought down to a different period.

Q. I want to know up to the last period?

A. The first committee brought their reports down to June, '75.

By Mr. Mills:

Q. Let me ask you: Did you perform this work under specific directions, or as in your own judgment would best lead to proper results?

A. Under specific directions, but I was allowed to proceed in the most economical mode I thought necessary.

Q. In the way you thought you could best read the proper results?

A. Yes, sir.

Q. So that the conclusions you report are those which you reached by your own mode of proceeding?

A. Yes, sir.

Q. As an accountant?

A. Yes, sir.

By Mr. Taylor:

Q. How much money did you find that should be accounted for?

Mr. Hinchman—Does that mean the total of the 12 years?

Mr. Taylor—Yes, sir.

By Mr. Hinchman:

Q. Did you prepare any statement of the total amount received during the 12 years?

A. I did, sir.

Q. Don't that show in your book?

A. There is no summary except as appears in print.

By Mr. Taylor:

Q. Give us the whole amount of receipts first.

A. The whole amount of receipts that we find any evidence of is \$47,486.20.

Q. How much did you find accounted for?

A. \$40,502.19.

Q. What is the deficiency?

A. \$6,984.01.

Q. How far back did you commence this investigation,—with what year?

A. Began with '64-5.

Q. At what time?

A. The beginning of the fiscal year '64-5, which commenced I believe in October.

Q. Can you tell by your work what time you commenced?

A. The first item that I got from the book on page 1 is June 24, 1865. There are some amounts in October, '64, afterwards on another page.

Q. Are there any as far back as June, '64?

A. I think not, sir,—nothing before September, I think.

Q. At what time of each year did you close your work?

A. It was usually about the end of June.

Q. What time in June?

A. The dates differ. They were not always closed on the same day.

Q. Why were they not?

A. Well, what I mean, the last amount credited on the ledger might not be on the last day of the month of that fiscal year. The accounts were supposed to cover the period commencing with September and ending with June in each year. There was quite a break.

Q. What day in June?

A. The last day of June. There was quite a break between the fiscal years, so that it was perfectly easy to find where the year ended. We took each fiscal year.

Q. You figured that up and struck the balance?

A. Yes, sir. You will find the separation easily between the fiscal year on the ledger.

Q. Did you close up the fiscal year in your work at the same time that Dr. Douglas gave in his annual report?

A. Yes, sir. We were guided considerably by that.

Q. Did you always do that?

A. Yes, sir. We took each separate year by itself, the bundles of vouchers, and the ledger accounts, and Dr. Douglas' annual reports.

Q. Commence with your work now and show how much deficit you found in each year, from the beginning.

A. '64-5, \$25; '65-6, \$169.71; '66-7, \$76.61; '67-8, \$201.20; '68-9,

\$449.10; '69-70, \$6.76; '70-1, \$885.51; '71-2, \$842.75; '72-3, \$1,129.15; '73-4, \$1,298.80; '74-5, \$1,418.68. In the year '70-1 Dr. Douglas, in his report, reported an excess of the bundle of vouchers \$98,445. We could not ascertain where that belonged, so he had credit for the amount of money that he reported in his report. In '71-2 his report was in excess of the bundle of vouchers \$33.25; in '73-4 his report was in excess of the bundle of vouchers \$54.80; making a total excess of \$186.50; leaving an actual deficit of \$6,-984.01 by his report of 1874-5 covering that period.

By Mr. Newcomb:

Q. Were those excesses reported as being received from students?

A. The amounts were reported in a lump, so that we could not ascertain where they belonged. For instance,—if had a report I could give it to you just as it is. “Sundry persons,” so many hundred dollars,—“sundry persons” in lumps. In other reports they were itemized, so that they could be found. Here each year belonged: the student where his name was given; if he had an account for \$19 or \$50, as the case might be, we would find it and credit it, but in this report they were reported in a lump, so that we could not ascertain.

Q. What did you do with the excess?

A. We gave Dr. Douglas credit for the amount of money he reported on his report in the general account. This is a report of delinquencies from the laboratory in his cash account. He had credit for the amount this report contained.

By Mr. Taylor:

Q. Commence with the year '65-6; you say there was a delinquency in that year of \$179.61.

A. Yes, sir.

Q. What accounts, if you can tell me, is that amount made up from?

A. G. S. White, \$26.60—

Q. Tell us whether it is stubless or forfeited.

A. I think there were no red lines or stubs during the year '65-6.

Q. How much of the \$169.71 do you find delinquent after Rose's time?

A. Well, sir, I made a memorandum relating to that year. When Mr. Grant and Mr. McGowan were acting on a committee, they put me several questions to answer, and I examined the books relating to that year, and I have been unable to find them. I requested Mr. Bennett to take care of them. They were in the drawer at the University at the time of this examination, and they have failed to be found since that time. I partially answered that question. I do not answer the balance because they did not think it was necessary.

Q. Did you find any portion of that delinquency? If so, what portion before Rose's time, as near as you can judge?

A. I am only speaking from memory. I cannot give you any accurate figures, but my impression is that the bulk of it was in the time of the former man. I am not sure. I could not say, but I think so. I can find out exactly and give it to you. It is not much trouble to do it. It will take a little time to make the figures over again.

Q. Please furnish that information.

A. My impression is that the bulk was in Lewis' time. There was some in it anyhow. I can't say until I make them over again.

Q. Have you any way of knowing, or do you find anything to show you, on

these books, how much money Dr. Rose has turned over to Dr. Douglas, and Dr. Douglas had receipted for for that year?

A. There were no stub-books, I think, in that year, and it seems to me that the ledgers are initialed by each one of these names when the money was received; but as a direct answer to the question I think not.

By Mr. Phelps:

Q. Didn't you have a card voucher to make it up from?

A. Yes, sir; I think it was the card voucher. I don't recollect of anything. That is a question I shall have to look up. I would like to have it in writing, so that I could examine it and answer it again.

By Mr. Taylor:

Q. In Dr. Douglas' report for that year, he reports \$169.71 less than the than the books show as received into the laboratory; that is what you mean by deficit.

A. Yes, sir.

Q. You have no means of knowing by these card vouchers whether Dr. Douglas received any more money than he has accounted for to the University?

A. I think not, sir.

Q. In the year '66-7 there is a deficit of \$76.71?

A. Yes, sir.

Q. Of what accounts is that made up?

A. Do you want me to give you the red line and so on at the same time?

Q. Yes.

A. A. Field, \$14.40. It has a red line and "S. H. D." written on the stub.

Q. The account is not reported by Dr. Douglas?

A. No, sir.

Q. What is the meaning of the red line?

A. The red line means, as I understand from both gentlemen, that the voucher passed from Dr. Rose to Dr. Douglas.

Q. What is the "S. H. D.?"

A. The "S. H. D." means that he had got the face of the stub, I suppose.

Q. That was the manner of receiving,—was it?

A. Yes, sir. Sometimes "S. H. D."—there is a case, I believe, or two, where there is "Douglas" written, but the greater number of them are simple D. D means the stub, and the red line means the balance of the account. Where you find the red line and the "S. H. D." it is evidence that Dr. Douglas has received the certificate, and has also received the money, and it is from their mode of settlement.

Q. The next?

A. G. A. Mathews, \$2. That stub has a red line and "S. H. D." The next account is W. S. McHarry, \$10. There is one thing that I should state that I did not state before: The first committee brought these accounts down to June, '75,—the Climie-Rynd committee—and the balance that is actually deficient to-day,—some of it is reported after that in the next year, so that it reduces the deficiency from \$6,984.01 to \$5,536.13; so that some of these delinquencies that I am undertaking to give you now—the question is, which committee you are going to deal with on the final result?

Q. We want to deal with you.

A. I wrote under two committees, and one committee did one thing and the other committee did another thing.

Q. Would it make any difference in the final result?

A. It does, sir. We brought the accounts down to June, '75, and the report of '74-5 was supposed to cover that time; but when the other committee got hold of it there were subsequent reports made, and some of these delinquent accounts were accounted for. I think that report came in in January, 1876, just at the time we got there.

By Mr. Newcomb:

Q. If you add that period to the first, would it make any difference in the result? Add the period from June 1st to January, 1876?

A. Don't you see, when the yearly reports were made ending June, '75, covering the accounts of that date, they left a certain result, a delinquency of \$6,900. That was down to the period that the preliminary committee (some gentlemen called on [them?] the committee),—they brought their accounts down to June, '75. The Climie-Rynd committee brought their reports down to the same period. The last committee took the entire amount that was reported delinquency, and reduced it from \$6,900 to \$5,500.

Q. What year are you dealing with now?

A. I am dealing with '66-7, and the report of the Climie-Rynd committee.

Q. You do not claim that reports made after June 1st would interfere with that year?

A. I mean to say that there was a delinquency of say \$7,000 in round numbers on the yearly report ending June, '75. If there are subsequent reports made you can reduce that down. The last committee were treating with the actual money that was unaccounted for up to the date the first committee made a report down to a certain period of a delinquency.

Q. I would inquire if that would make any difference in the individual accounts of the year '66-7?

A. Please state that again.

Q. Would that result make any difference with the individual accounts of students?

A. Certainly: If there is a subsequent accounting it would remove some of these delinquencies.

By Mr. McArthur:

Q. Dr. Douglas, I understand, after the close of '75, paid some of this money that was delinquent at this time?

A. That is all there is of it. There has been a subsequent accounting,—the one treating the delinquency down to the fiscal year ending June, '75. Now there has been a subsequent report made, and some of these delinquent accounts have been accounted for, and the last committee treated the actual deficiency to the time the report was made; there may be a subsequent report still for all I know, I have not been there since.

By Mr. Mills:

Q. State what the deficiency was in '67-8, and how you reached that?

A. The deficiency was \$201.20.

Q. How do you reach that result?

A. We took the credits on the ledger.

Q. What did you determine the disbursements for that year? On what data?

A. We are not treating the disbursements, we are treating the amounts received in the laboratory and the amounts accounted for.

Q. How did you reach that.

A. We took the credits on the ledger as to the money received, and then we had a package of vouchers that represented the receipts from the students to conform to the ledger; then we had Dr. Douglas' annual report, wherein he credited for certain amounts he received.

Q. Frequently that report indicated the disbursements?

A. That report would indicate disbursements and receipts, and a portion of the credits were for moneys received in the laboratory.

ANDREW CLIMIE RE-CALLED.—FEB. 16, EVENING.

Witness—In making the statement to whom I told [any thing] in regard to the conversation between Dr. Douglas and myself, when the question was asked me if I told it to any other person than Dr. Rose, my answer was, "I thought not." Upon thinking the matter over and talking with Mr. Beal, I desire to correct that statement and state that I made Mr. Beal the same statement.

DR. ANGELL RE-CALLED.—FEB. 16.

By Mr. Taylor :

Q. While yourself and Dr. Douglas were examining the account in the first examination, when you came to an account having a deposit ticket with the letter *D* on it for \$10 that had not been reported as a forfeiture, what remark did Dr. Douglas frequently make in regard to that \$10?

A. Some remark indicating that he was responsible for it,—"\$10 for me to pay."

Q. Did he at any time seek to deny his liability for the \$10 of deposit money represented by the stub with the letter *D*?

A. No, sir.

Q. When did you first hear Dr. Douglas raise any question about the genuineness of the letter *D*?

A. I could not say with exactness, I kept no data of these points; but I should say during the examination by Mr. Climie and Dr. Rynd, some time during the investigation.

Q. Did he, when near the completion of that examination, propose at any time to credit the amount of that stub money in rendering his account that he was engaged in making up for the Regents?

A. I have a general impression that he did, but my recollection about that is not very sharp. I should say he did.

Q. Do you know of his actually crediting such stub money?

A. I don't know anything about his account, how he finally made it up. I never examined it.

Q. In the various interviews that took place between Dr. Rose and Mr. Bennett, Dr. Douglas, and yourself before the publication in the Chicago papers, did you ever hear of any angry or unpleasant words passing between the various parties?

A. No, sir.

Q. Did you at [that] time think that, in the reviews of the lists submitted to Rose, he supposed that he was doing otherwise than acknowledging the delinquent accounts?

A. I answered that question before, as I recollect. I did infer, in the light of all the circumstances, while it happened,—namely, that he had paid \$600

back to Dr. Douglas; that he had given this deed of his house; that he had given utterance to no word that I knew of denying that this responsibility was his. As he made those lists and left them, I did draw the inference, as I said before, whether rightly or wrongly, that those were in the nature of settlements of sums which were due from him. That impression generally is on my mind.

Q. Do you remember of his ever saying anything in regard to the matter?

A. Not a word.

Q. Prior to the publication in the Chicago papers did he ever throw out any intimation to the contrary?

A. No, sir; he did not say anything about it.

Q. Did not the last examination of the accounts, that Dr. Rose continued to participate in, proceed upon the assumption that no money could pass from Rose to Douglas or from Douglas to the Regents except on a voucher or stub deposit?

A. That I supposed.

Q. During the investigation of accounts since, until his testimony before this committee, have you ever heard Dr. Rose claim that the annual settlement differed from any other settlement during the year, or that anything contained in his statements before the board in December was not true?

A. I never did.

Q. Dr. Douglas appeared and showed to you the list made by Rose of vouchers turned over in '74-5, in the book called the "long book?"

A. He did.

Q. Were the red lines across the page now upon that book there when it was shown to you?

A. I have no recollection of seeing any such lines,—the red lines across the page. My impression was that the page was a clean page, as far as that is concerned, like the book which Dr. Douglas has,—exact transcript of it. I have no recollection of seeing red lines cross either of them.

By Mr. Phelps:

Q. I would like to inquire whether these spaces were left here for the lines?

A. I have no recollection about that. I should have said that the book was a book with rows of names without any break or red line.

Q. Without any spaces on it?

A. I have no recollection about it. It is a book that I saw once only, as far as I remember: possibly twice.

Q. Please state in detail any conversation that ever occurred between you and Dr. Rose concerning stubless accounts?

A. I have stated one that Dr. Rose and I had, and there is one other brief conversation which, so far as I recollect, I did not state in my last testimony, though I did in the summer. The only other conversation I remember was this: I do remember one day asking him how it could possibly happen, if there were what we now call "stubless accounts," but which I called "missing stubs," I believe, in those days (which you have called "stubless accounts," the more proper name),—I remember I did ask him, if there were such accounts, how it could possibly happen that there should be stubless accounts, and the doctor said he did not know how that could happen unless in this wise possibly: that a considerable of students, ten or a dozen, might be crowding around the table to pay all at the same time, and he had no leisure to make out all their papers, and he took the money and put it in his pocket and forgot to

make out the papers afterwards. That is the only other conversation, I think, I ever had with him on that subject besides what he testified to before.

Q. Did Rose ever explain the system of bookkeeping and mode of accounting between himself and Douglas to you?

A. He did once, I remember. I invited him and Dr. Douglas separately into a room, one right after the other,—I could not say which first,—to make sure that I was familiar with the system of bookkeeping, and my recollection is that they gave identically the same description of bookkeeping, which was in substance that which Dr. Rose had stated in his paper before the Regents, and which I stated in my testimony to you,—that there were these deposit stubs, these certificates, and that there were two methods of passing money between himself and Dr. Douglas, one upon the stubs marked *D*, and upon the certificates red-lined across the stub.

Q. Would there not be a difference between the same stubless accounts and missing stubs?

A. Yes. We have been all over that before, I think. "Stubless accounts" is the best term to designate what I always said in my mind, and what I supposed everybody did,—these accounts that appear on the ledger, for which no stubs appear.

Q. When you were speaking to Dr. Rose in this conversation, did you use the term "stubless accounts" or the term "missing stubs?"

A. I presume I used the term "missing stubs," because that was the expression which we more commonly did employ at that time.

Q. Has it been claimed that there are any "missing stubs," any certificates for which there are no stubs?

A. I never heard of that claim. I do not know that that claim has ever been set up. The stub-books appear to be unmutilated, so far as I have heard or knew.

By Mr. Kelley :

Q. Which of those books did you see?

A. I have seen both.

Q. Were they both presented to you at the same time?

A. No, sir; the Rose book was presented first. The book belonged to Dr. Rose, as I understand it.

Q. The book signed by Dr. Douglas,—the certificates which were signed by Dr. Douglas?

A. I don't remember the particulars. What is known as the Rose book—first a book was shown to me, and then another was shown to me which I think was a transcript.

Q. You think that is the book which was presented to you first,—the Rose book?

A. I think it is.

By Mr. Phelps :

Q. You said you did not remember if there was any spaces left?

A. I don't remember anything about it.

Q. If you did not notice the spaces you might not have noticed the red lines?

A. I don't know anything about either of them.

Q. Did you compare the books?

A. I never did.

Q. Who brought this original book to you?

A. Dr. Douglas, and also the other one.

Q. How did you happen to call Rose and Douglas into your office separately to question them upon this subject?

A. It was a little while before the Regents' meeting in December, and I merely wanted to confirm any statement that I might make; to see if there was any possible error on my part as to the system of book-keeping; to see whether either of them had anything further to say. Their statements tallied precisely, as I supposed they would.

Q. Was it a matter suggested to you by any person?

A. No, sir. We were about to turn [run?] over the figures we had made.

Q. Up to that time you had not treated it as a willful conversion of the laboratory money by either of those parties?

A. I had not had occasion treat it either way.

Q. Had it been treated or considered, by yourself or the other member of the Board of Regents who had acted with you, as a willful appropriation of money, or as simply growing out of the careless manner of keeping the books?

A. The whole thing was under examination. What view the Regents had of it that had seen it, they must answer for themselves. I must say, the opinion continued to grow upon me that it was impossible for it to have been purely a mistake.

Q. Had you, in consultation with Walker, McGowan, Bennett, Knight, or Gilbert, discussed the question as to whether Rose had willfully appropriated the money or not, prior to the publication of that article in the Chicago papers?

A. I had no opportunity discuss with Gilbert, Walker, and McGowan, except when they came down to take the deed of his house; in fact, I had no discussion. They conducted the examination.

Q. When was the matter talked of in that light?

A. In what light, please?

Q. That the taking of the money was a willful appropriation on the part of Rose to his own use?

A. That is a question which I suppose would be properly described by saying that opinion was forming as we went on with the examination. I must say that from the time the trust deed of his house was given, I was painfully impressed that there was something wrong on the part of Dr. Rose; but not so impressed that I was not open to conviction.

Q. Were you present at the time that request was made of him to give that deed?

A. No, sir.

Q. Were you apprised of the fact that such a request was to be made of him?

A. No. I did not know what the Regents intended to do. I don't think they had decided.

Q. Had you intimated to Dr. Rose prior to that that he was to answer for the deficit entirely?

A. I never had any conversation with Dr. Rose on the subject at all.

Q. Do you know whether it has ever been charged to him prior to the request of that deed?

A. I don't know that he had ever been charged, except in so far as the \$600 was charged by Dr. Douglas. I never exchanged a word with Dr. Rose during all that early time, for I hoped it would clear of itself. I would much rather they would settle it between themselves, if they could.

Q. Were you informed by Regent McGowan or Walker of the conversation

that took place between them and Dr. Rose, at the time this trust deed was obtained?

A. Only a general way; not in detail. I never heard the whole until it came out in the testimony.

Q. Did you hear anything of that article that was published in the Chicago papers prior to its being published?

A. I wish I did. I never heard of it. The first I knew of it was on the evening it was published. I happened to get a paper and read it myself. The next day a reporter came to ask me for some news about it, and I sent him off.

Q. That was after it had been published?

A. That evening, about 10 o'clock at night, a reporter came to me to get some information, but I would not give him any.

Q. Was it a reporter for the same paper in which the article appeared?

A. I think not. I think the young man who came for me was a reporter for the Post at that time. I may be in error, because our students shift their work from time to time. I refused to give him any information on any matter, for I knew nothing about the communication.

By Mr. Taylor:

Q. Did you agree when Dr. Rose signed that list that he might rectify any mistakes that he might discover?

A. As I said before in relation to the list, I had no recollection of ever giving any such permission,—not the slightest recollection of any conversation.

Q. Would it not have been right to allow him to rectify any mistakes?

A. That is a matter of opinion.

Q. Don't you think it would?

A. I will tell you the ground on which I declined then. I thought it was right at the time.

Q. I want to know if you do not think it is proper to rectify all mistakes before that time?

A. But I did grant him the opportunity to rectify mistakes.

Q. How?

A. By filing a paper that it would be folded with to state what the mistake was. I conceived, rightly or wrongly, certainly conscientiously, that it was my duty to keep those papers in their integrity. That was the condition under which I proceeded. I told him he might write anything he chose in explanation of it, and I would give him my word of honor that it should be folded with it. I thought that by making changes in the paper it would be altered; it would be a mutilation of the paper, and therefore it would not be right. I may have been wrong, but I was certainly conscientious about it.

Q. After the Board of Regents had ordered that no access should be given to the books and papers belonging to the laboratory, did you ever see Dr. Douglas with any of those books?

A. You mean after this last prohibition?

Q. Yes: in June.

A. I don't remember that I ever have.

Q. Has he not at different times occupied your room with this work of Mr. Tregaskis?

A. That might be without my knowing it. I do not recollect it,—that is, after it was forbidden; I do not recollect it; but you know I am in my office generally only an hour a day. My office opens out of Bennett's office. I do

not recollect any such occasion. It could be quite possible without my knowing it, you understand.

Q. Why did you swear last June that up to December, '75, you had simply treated it—that is, this trouble in the laboratory—as a mistake, when you had written that letter to Dr. Rynd?

A. I don't remember what you refer to now in the letter to Dr. Rynd, I would be glad to hear the letter read.

[The letter from Dr. Angell to Dr. Rynd is read to the witness from Dr. Rynd's testimony; page 239 of this volume.]

A. I see nothing inconsistent with that. The question is, why this was treated—

Q. Why did you swear last June that up to December, '75, you had simply treated it as a mistake?

A. We had treated it in no way in which it could be called a public treatment, as I have explained; but quietly the impression had been growing upon me during this investigation, which finally landed me in that personal impression, and I felt it to be my duty to express it to the Board of Regents at this time, unless they should come up and say that they had been entirely taken by surprise and not apprised at all of this discovery. At that time I supposed that those were the facts, and for the reasons that I have heretofore given.

Q. Do you claim that in this letter you treated this matter as a mistake?

A. Not in that letter. I might have been in error as to the precise dates. This is dated before December 1st, and probably my testimony was given in a general way. I do not recall the exact date of that letter, but there was no public feeling about it even here. I had been coming to this impression as we went on with the investigation, and at this time felt it to be my duty to inform each member of the Board of Regents of the impression that was upon my mind. I presume the letter was written to the others at the same date and at the same time. I certainly thought so at that time.

Q. At the time you took Douglas and Rose separately into this office and inquired in regard to the book-keeping,—the manner of keeping the books of the laboratory,—did you not repeat the system of book-keeping, and then ask Rose if you were not correct?

A. Possibly I did.

Q. Did Rose say anything about it? Did you not do all the talking?

A. I won't say I did all the talking. It was a conversation between us as to the mode of book-keeping, to see whether my impression was right, and certainly he made no correction. I never had any other idea of the system of book-keeping save that which I testified to the other day, and which I supposed both these gentlemen agreed upon.

Q. Did you ever understand from any conversation you had with Dr. Rose that he ever passed money to Dr. Douglas except upon a voucher?

A. I always understood that from him.

Q. Did he ever tell you so?

A. I should say he had, in the course of this statement about the book-keeping.

Q. You had occasion to ask him if he received any money?

A. I did ask him if under that system of book-keeping that is the only way in which money passed.

Q. Did you understand that from statements made by the parties, or from your examination of the books?

A. From statements made by the parties.

Q. Did you not state to Mr. Barry, one of your students, in December, '75, or January, '76, that Dr. Rose had confessed his guilt to you, or words to that effect?

A. No, sir. I remember that conversation exactly. He came to me and said that Dr. Rose remarked that he had never made any confessions or admissions, and I expressed my surprise that Dr. Rose should make so broad a statement as that, because at that time I did consider the exhibits that he left as admissions, as I have stated before, that for these moneys he was held responsible, and Dr. Rose and I had a conversation about that.

Q. Did you not tell several merchants in Ann Arbor the same story?

A. I presume I may have said that those admissions had the force that I now state, because the moment that this was published I was besieged, as you may imagine, the whole length of the street.

Q. Did you convey to them the impression that Dr. Rose had confessed to you his guilt?

A. In no other sense than that. A confession I never meant to imply. Never remarked that Dr. Rose had made any verbal or oral confession to me. I did probably imply, as I certainly thought at that time, that these papers, taken in connection with all the circumstances, were virtual admissions that these moneys were due from him to the University.

Q. You also told the Rev. Dr. Brigham the same?

A. I have no recollection of ever speaking to Mr. Brigham; possibly I did.

By Mr. Phelps:

Q. You mean the accounts that he left?

A. Yes, sir. After he went over the accounts and drew off these papers, I did think so in the light of all that had gone before,—that he had paid the \$600 to Douglas; that he had given a trust deed of his house; that, sitting in my room and working for weeks, he had never said a word affirming his innocence in any form; and knowing, as I supposed, that he must be under suspicion after all that had been said and done heretofore, as he left these exhibits one after another as his statements of the different accounts, I thought they were virtual acknowledgments from him that those moneys were due from him.

Q. When he came to make those alterations, did he not offer to explain how these could be accounted for?

A. He did account for some of them on these papers that he left afterwards, one for each year.

By Mr. Taylor:

Q. If you did not make this statement to Barry and others, why did you not correct the statement of Barry and other reporters made in the Detroit papers?

A. If I had undertaken to correct all the falsehoods that were reported about me in the papers at that time, I would have had no leisure for anything else. There were frequently reports published of interviews with me which never occurred; and any man that has been placed where I was would understand that his business is not to pursue all the false statements that are made. If I did, I would have plenty to do. I could not undertake to chase all the statements that were afloat. Any man who came to me and wanted the truth, I tried to tell him as far as I thought was proper for him to know.

By Mr. Kelley :

Q. Do you recognize that as being a copy of the letters received by you from Regent Cutcheon?

A. Yes, sir.

Q. Is that a copy of the telegram received?

A. I presume so. I don't remember definitely about the telegram, I know that he did telegraph that he could not come.

By Mr. Taylor :

Q. At the December meeting of the Board of Regents, in '75, was one of the wrappers or settlement papers shown Dr. Rose?

A. I think there was.

Q. Did he not deny that it was in his handwriting?

A. That is my recollection.

Q. Was it in his handwriting?

A. I thought so then.

Q. Did you ever have any conversation with Dr. Cocker concerning the laboratory deficit? and if so, state what that conversation was.

A. Yes, sir: I had the conversation with Dr. Cocker,—I think only one. I fell in with the Dr. coming up street one evening, and introduced the subject myself, saying to him that I presumed that the subject must be weighing on both our minds, and there was no reason why we should not talk about it. He made inquiries as to what the facts were (this was after it had become public), and I stated to him, as I now recollect, the general issue, the nature, especially concerning these missing certificates. We talked quite at length. He wanted to know the nature of the evidence about it, and asked if these certificates might not have been misplaced or mislaid. I said it was possible, as things stood, they were not forthcoming yet, but that the greatest difficulty in my mind was concerning these "stubless accounts," as we now call them. It seemed to be very difficult to make any explanation of them, and he asked some questions about them. I explained the case, and he wanted to know what it could be possible that Dr. Rose had done with the money. I told him I did not know. I did not know of anything he owned except that house. He said something about his making his defense, or something of that kind, I have forgotten what. I told him I thought he ought to have very chance to make any explanation, and as far as I was concerned, as far as I had any power, he should have; and I have no doubt he would have. We parted at the corner of the college yard. That was the substance of the conversation which occupied us from down town up to the corner of the yard. I think that is all we conversed about.

Q. Were you at the house of Gov. Felch while Richmond was at work with the Governor making out the bill in chancery?

A. Not to my knowledge. I don't know when the bill in chancery was made.

Q. While the books and papers were at Gov. Felch's?

A. I have been there when the books and papers were there.

Q. Did you carry the stub-books to Gov. Felch's?

A. Yes, sir; that is, those that were last discovered. I thought they ought to be in his possession as attorney of the Board.

Q. Did not Dr. Douglas, a few days prior to the discovery of this delinquency, sign a petition for the promotion of Dr. Rose?

A. Yes, sir; I don't know how long, but some time before. I know he had been at work for it for months.

Q. Are you aware of any difficulty ever occurring between Rose and Douglas prior to this difficulty?

A. No, sir.

Q. Did you ever write Mr. Welles in Marshall, enquiring whether he had paid his laboratory account?

A. Yes, sir.

Q. What was the nature of his reply?

A. I received a reply stating he held Dr. Rose's receipt for the same.

Q. Will you have the letter produced?

A. I gave it to Mr. Climie, and I have never seen it since. It is a postal card.

Q. Did he say he had a certificate, or receipt?

A. A receipt; that is my recollection.

Q. Did you ever write to a Mr. Grant of Fowlerville?

A. I did.

Q. As to whether he had ever paid his laboratory account?

A. He said he had, and had Dr. Rose's receipt. That is my recollection of it. That was a letter which I also turned over to Mr. Climie.

Q. Was Dr. Douglas at Governor Felch's while you was there?

A. He was a little while.

Q. Do you mean to swear that you took these stub books to Governor Felch's without knowing for what purpose they were required?

A. I took them there because he had all the other books making up his law-suit. I don't know whether it was a bill in chancery, or what he was doing; but I took them for that purpose, because he was the attorney of the board, and Mr. Bennett said all the rest of the books were up there.

Q. Where were those books found?

A. In the laboratory.

Q. In what part of the laboratory?

A. In the cupboard.

Q. In a public place?

A. I should hardly call it a public place.

Q. Where any one could find them if they wished them?

A. They could not without they hunted for them. They were away in behind in a corner of the cupboard, on the floor, away in back. They were little dumps of books that would be overlooked.

Q. How did you come to look for them?

A. I came to look for them, because this Mr. Thum, who has been before you, presented a receipt to Mr. Bennett taken out of one of those books, which Bennett showed me. It was to me a new form of receipt. I had never seen one like it, and it seemed to me that it indicated that there were some books that we had never seen before. I therefore thought it best to go to the laboratory and see if there were any stubs corresponding; and in that way the books were found. The accountant, Miss Crane, looked for me, and found these packed away in the corner.

Q. Was not Miss Crane using the same form of voucher?

A. She was, with an erasure,—not as voucher. This is a notice to the student that his deposit has expired.

Q. Had she done it before this discovery?

A. I judge so; seemed to be using them out of a book that was not exhausted.

Q. Did you not write to, and talk to, a great many other persons who claimed to have paid and not received credit?

A. I wrote to five, and I wrote to these simply because Mr. Bennett was trying to close up the accounts. These boys I happened to know pretty well personally, and know their addresses, and I wrote to five, three of whom had not paid, and two said they had. I did not make any personal inquiries of others. It is possible I may have, but I do not recollect it.

Q. Were the ledgers at Gov. Felch's?

A. Yes, sir. I think the books were all together. I did not know the significance of these books; do not now. I thought they ought to go with the rest.

By Mr. Kelley:

Q. Who assisted you in making the examination to find these extra stub-books?

A. I first went to Dr. Douglas as director of the laboratory,—to his office, and asked him if he knew. He said he did not. Well, I told him I would ask Miss Crane, the accountant, and he accompanied me to her desk.

Q. Did you ask the Doctor if they had been using any such books in the laboratory?

A. Yes, sir.

Q. What was his answer?

A. He did not remember that they had.

Q. Did you show him the receipt of Thum?

A. Yes, sir. That was what I carried with me.

Q. He did not identify that as being one of the blank forms used in that department?

A. No, sir.

By Mr. Taylor:

Q. Did he not know at that time that they were using the same form of certificate?

A. He can answer that better than I can.

Q. He said he knew nothing about it?

A. I believe he said he knew nothing about this form of receipt.

By Mr. Kelley:

Q. Have you ever obtained the receipts of those parties in response to your letter?

A. I never asked for them.

Q. Do you know whether they have ever been received?

A. I was writing for the assistance of Mr. Bennett, to close up the accounts. They said they had receipts. They were two boys whom I supposed to be truthful. I knew them very well.

Q. Was it payment on these subsequent deposits that they held receipts for?

A. What we called "delinquent accounts."

Q. Receipt consisting of one of those notices countersigned?

A. I do not know what the form of the receipt was?

Q. Upon such accounts they would naturally be receipts of that kind?

A. I don't know. I never saw those books before, and do not now know what they were for.

By Mr. Mills :

Q. On your acquaintance with Dr. Rose did you think him likely to be forward in offering vindications of himself, or is his habit more reticent?

A. Well, sir, I never thought him obtrusive, I supposed any man that is charged with not having paid \$600 would certainly say something.

Q. I refer to his turn of mind generally?

A. I always supposed the Doctor was a quiet, modest gentleman, and still think so.

Q. Did you not know that this man Richmond had been engaged by Dr. Douglas as a bookkeeper when you took these books to Gov. Felch's?

A. I knew that at times he had done some work for him. I did not know he was there when I went to Gov. Felch's. I was shown into Gov. Felch's office to give him these books. That was my errand there. I found Richmond was at work, as I understood, Gov. Felch assisting him, and I left the books in his custody, telling him I did not know what their significance was, but, as he was attorney of the Board, I thought he ought to have them in his charge to investigate.

WILLIAM GEORGE SWORN—FEB. 16.

Q. What is your present occupation?

A. Methodist preacher.

Q. Where do you reside?

A. Port Austin.

Q. Have you ever had any experience as an accountant? and if so, where and when?

A. I have had a pretty considerable experience all my life. I kept the books of two of the largest firms in London for seven years, and have had something to do in ferreting out old accounts.

Q. When did you first have your attention called to the laboratory defalcation?

A. Soon after I came to Ann Arbor.

Q. What time was that?

A. In January, '76, about the middle of January.

Q. Who called your attention to it?

A. I think it was Dr. Cocker who first called my attention to it. I was visiting at his house. I called there. He was one of the first persons I visited at Ann Arbor, and they were speaking about an accountant; and I said if an accountant was wanted I was at their service, and I would be pleased to fill up my time until conference in making out any accounts that were necessary.

Q. Did you give your services to such work?

A. Yes, sir. I commenced, I think, about the next day. I commenced copying at first. I did not know much about the matter in hand. Both parties were total strangers to me. We kept on at work. Our first object was to present all the affairs of the laboratory and all these transactions on paper according to double entry, and Dr. Rose presented vouchers to me from time to time and lists which he had made out, and we arranged them in proper order and I copied a good deal of the memoranda which he brought for me.

Q. Are all those papers which are produced here in your handwriting?

A. The papers you have there are. We considered it essential to have all these before us, in order to find how matters stood, and see if we could discover a settlement which Dr. Rose purported to have made to Dr. Douglas,—the

final settlement. We seemed at first to have no proof of that, saving his word; and we thought if we got all these accounts together we could tabulate them and see whether they agreed,—whether there was any means of finding out the proof of that. We lingered sometimes and worked in the dark. By and by he brought us that check of \$1,290, and we had finished our work on these eight years. We took the amounts on those ledger accounts, and the sub-payments on forfeited accounts, as he suggested, and we found that it amounted to very nearly that sum, the sum of the check. I may say that afterwards in checking the amount, I found a few clerical errors in the account.

Q. Did you check over items in these accounts from the original documents in the steward's office?

A. Yes; from the original documents. I went over every figure in these accounts, and can vouch for the correctness of them all.

Q. Did you find them correct?

A. I found several clerical errors which will always creep in in making up accounts of this kind, and I altered them, made new sheets if it was necessary. I think we made two or three of them.

Q. What was the general tenor of your corrections?

A. Perhaps I had better explain these papers. We arranged the names in alphabetical order. First we give the ledger page, the name of the student, then the total amount, as we found it in the ledger, of money he had paid in, then we had lines for the number of the ticket, the date of the first deposit, the amount of the first deposit, in another column whether there was a letter *D* on it, and then we had lines for the subsequent payments, what was paid, what was returned, then a column for the red lines; and afterwards we took these different columns, where the tickets were found with the steward, they were entered in this first column,—tickets which Dr. Rose professed to have paid over we put in that, the next column if the tickets were in the hands of the student, or the forfeited accounts where the students had gone away and had not settled up, and then the stubless accounts in this column.

You asked me to describe my manner of checking. I first of all checked the ledger with these sheets, checked the entries there, and then I checked the stub-books, made my marks upon them to see whether the deposits were correct, and the *D*'s and red lines were in there correctly. Afterwards we went over the tickets or certificates with the steward, checked them with these papers, and also saw whether the deposit as given by Dr. Rose on these papers was the same as we found upon the ticket, or whether they would allude to a second ticket, the amount of the deposit, or the amount of the stub with the amount on the face of the certificate. Those checks will be found here,—blue checks.

Q. Did you find many errors in Dr. Rose's accounts?

A. I did not find many errors in these accounts in the ledger. I had heard a good deal of Dr. Rose's "inaccurate" book-keeping, and I thought to find a number of mistakes, and I do not think it was at all above the average ordinary clerical errors which will creep in with the best book-keepers.

Q. Did you ever examine these books and papers except in the presence of Mr. Bennett?

A. No. Mr. Bennett was always present when I examined them. I did it in the steward's room. They gave me a table.

Q. Did you ever see Dr. Douglas go into that vault alone? and if so, how long did he remain there?

A. I should think he went into it every day alone. Sometimes he would stay for a quarter of an hour or twenty minutes.

Q. Did you ever notice his being in the President's room alone examining papers?

A. Many times.

Q. Did he ever exclude you from witnessing or noticing what he was doing in that room?

A. Yes; there was one day I was there with Tregaskis, and I think it was very hot, and I think I went in for a glass of water. When I came out he came up and shut the door; closed it. I don't know what his reason was, I am sure. I felt rather annoyed, because it was very hot that day and I liked a draft through.

Q. Do you remember going with Dr. Rose and Mr. Briggs, during the interval between the McGowan committee and the June meeting of the Board of Regents, to see Mr. Bennett at the University?

A. Yes, we went there to see him.

Q. What passed at such an interview?

A. That was just after the evidence had been given relative to the red lines and the different colored inks, during the examination before the McGowan committee; and we went to see and compare those red lines ourselves to see whether there was really anything in it. We knew that the fact that one red line differed from the red line underneath it amounted to nothing at all; that if there was anything in the fact of the red lines being of different colors, all the red lines of the tickets in that settlement must be of the same color and done with the same ink, or the delinquent accounts must all be ruled off in different red inks; and we wondered at the time that Dr. Rose should have been so foolish, if he intended to forge the red lines, as to use different colored ink; and we went there to look at the matter and see whether there was anything in it or not. It was one of the new features which had been brought out during the examination before the Grant committee.

Q. Were you present at all the meetings of the McGowan committee in June last?

A. I would like to say while I am on that last question that they refused to let us have those stub-books to examine those red lines. Grant and McGowan had promised Dr. Rose that he should have a hearing before the Board of Regents, and we went to look at those before the hearing came on, so that we might know what we were prepared to fence,—might see if there was anything in it. We wanted to satisfy ourselves. Dr. Douglas objected to it. The Regents were willing to let us do it, but Dr. Douglas said No, and we offered to do it in the presence of Bennett, Richmond, or Dr. Douglas himself, if he would come, or any of those gentlemen if they could spare the time. They said they would adjourn for six hours, if necessary, to allow us to examine those when the whole Board were gathered together; but when they were gathered together they had no time to spare; they must get home.

Q. Did you hear Sawyer's proposition to submit Dr. Rose's case to the committee, and hear their refusal?

A. The propositions were that he would give bond and \$50,000 until the settlement of the case, if Dr. Douglas would do the same; that he would pay the expenses of the Board of Regents if necessary, and give bond for that. He offered the committee if they would sit as arbitrators,—and finally he took a blank sheet of paper and handed it to them and said, "Write your own condi-

tions,—anything approaching a finality. We are willing to sign and give bonds for the result.”

Q. Did you report the testimony taken in that case?

A. Yes, sir; I reported all of it.

Q. Were you present at the June meeting of the Board of Regents?

A. Yes, sir. I was there all the time.

Q. Had you there substantially the same information that Dr. Rose has given before this committee, and the evidence that has been produced during this investigation?

A. Yes, sir. We had all these papers and all the exhibits which Dr. Rose has brought here. All of the schedules which he has read to you were prepared; in fact, almost all the matter was compiled, and we hurried through it to prepare for the March meeting of the Board of Regents. We had an idea it might be called for then.

Q. Did you hear Beal beg of the Board of Regents to hear Dr. Rose's case?

A. I should think I did.

Q. Did they refuse to do so?

A. Yes, sir. They refused to hear him at all.

Q. During your acquaintance with Dr. Rose has he ever to your knowledge falsified any account or hesitated to admit a fact which was apparently to his detriment?

A. No. I found him very honest in all his dealings. He would say “Put it down; it will appear by and by that I am in the right; it will come out.”

Q. Have you seen the name Grimwood in Dr. Rose's books, and how does it compare with other names in the same book?

A. I saw it during the sittings of the McGowan committee, and I found that it was what will always be produced with that ink if you apply blotting paper to it. It blots off faintly. Written with a quill it would make a difference from that written by a steel.

Q. Are the other names written in that book in the same way as Grimwood, with a steel pen?

A. Yes, sir; they look just about the same.

I would like to say a word or two about these stubless accounts which you find here. You will find there are marks made here that nearly all of them were settled in the month of June. I have marked there, you see, these accounts where the stubs are wanting. There is no stub, and it was settled on the 13th of June. That led us to the conclusion that they must all be settled towards the end of the year. We found that many accounts were settled on but one certificate. That is marked here,—two accounts settled on one certificate,—whether the ticket is found with the steward.

Q. Who paid you for your services as an accountant?

A. I have never been paid a cent yet. I boarded with a gentleman here.

Q. With whom?

A. I boarded around with friends in Ann Arbor.

By Mr. Hinchman:

Q. Were you at the June meeting of the Board of Regents?

A. I was.

Q. Did you hear Regent Climie offer to explain to the Board of Regents the \$104.25 that has been spoken of so much?

A. Yes, sir, he made the offer, I think, twice in my hearing,—once before the passing of the report, and once afterwards.

Q. Did they decline the explanation?

A. They would not hear anything. They said we had three minutes allowed us to pass this matter through. Mr. Beal, I think, occupied that three minutes, and then Mr. Climie protested against the passing of that report; and they said they could not hear him, and I wondered at it myself, because I knew that it was capable of a very different interpretation from what had been given.

By Mr. Phelps:

Q. Did you follow this thing through to the close? To what time did you look the books of account over?

A. Up to the time they refused to let us have them.

Q. What time was that?

A. They refused in the interval between the McGowan committee and the June meeting.

Q. What time does your work cover?

A. From '64-5 up to '74-5.

Q. Did you strike a balance each year?

A. We struck a balance each year. We could not strike a balance in those earlier years. The accounts were in such utter confusion we could do nothing with them.

Q. Will you give the committee the result of the examination each year?

A. The result is found in these papers.

DR. ROSE RECALLED—FEB. 16, EVENING.

By Mr. Taylor:

Q. With reference to J. T. Welles?

A. What year?

Q. '75-5; is that an unsettled account?

A. Yes, sir.

Q. Did you ever give a man a certificate for that, or a receipt for that amount?

A. Not that I know of; I would like to see the evidence of it.

Q. Where does he reside?

A. I don't know the man by name; Marshall, it is on this book.

MARCUS J. WELLS SWORN—FEB. 22.

By Mr. Taylor:

Q. Where do you reside?

A. Marshall, Michigan.

Q. Were you ever connected with the University of Michigan?

A. Yes, sir.

Q. At what time did you enter there?

A. I entered there in the fall of '71 and left in the spring of '75.

Q. Did you take a course in the laboratory?

A. I did not take a course. I selected one semester there and worked.

Q. When you were through, did you receive your receipt for your money?

A. Yes, sir.

Q. Have you the receipt?

A. I have, sir.

Q. Produce it.

A. Here it is.

Q. Did Dr. Rose give you this receipt?

A. My chum paid the bill for me, and he gave it to my chum, Mr. Grant, and he gave it to me. Mr. Grant was rooming with me then.

Q. Read it.

A. "Received of M. J. Wells, chemicals and apparatus, the sum of \$14.85. University of Michigan, June 29th, '75. P. B. Rose."

[The receipt is shown to Dr. Rose, and he acknowledges that it is in his handwriting.]

Q. Did you know whether that receipt was given on the exact day it bears date?

A. Yes, sir: it was.

Q. How do you know that his receipt was received on the day it bears date? Were you present when it was executed?

A. No, sir. I can tell you why I know it. That is, the 29th, which was our class-day; and the day following, the 30th, was commencement. Towards the latter part of the day, the 29th of June, I had some work to do at the room, some drawing, and my chum was going over to pay his bill, and I gave him the money to pay mine. There is no chance for any doubt about its being the 29th, because I remember perfectly the exercises of the forenoon and those of the afternoon, and after their close going at the work which I had to accomplish, and I remember his going.

Q. Did the receipt come into your hands on that day?

A. Certainly.

Q. Up to the time you had paid this money for which this receipt was given, had you paid any money into the laboratory?

A. No, sir.

Q. You never made any deposit when you went in there?

A. No, sir.

Q. Did you know that a deposit was generally required of students?

A. I knew it was customary to make one, but not required. That is the way: I understood it. It was not required of me. I told them the circumstances.

Q. How long had you been a student in the University?

A. When I began the course I had been a student three years and a half.

EMERSON W. GRANT SWORN—FEB. 22

By Mr. Taylor:

Q. Where do you reside?

A. In Conway, Livingston county.

Q. Were you ever connected with the University of Michigan?

A. I was, sir.

Q. At what time?

A. Nearly all of the time from the fall of '71 till July, '75.

Q. Did you ever take a course in the chemical department?

A. I took a course in the laboratory the second semester of the last year.

Q. Did you receive any receipt at the time you settled with Dr. Rose?

A. I did, sir.

Q. Have you that receipt with you?

A. I have.

Q. Please produce it.

A. "Received of E. W. Grant, for chemicals and apparatus, the sum of \$15.80. Laboratory University of Michigan, June 29th, 1875. P. B. Rose."

Q. Were you present when this receipt was executed?

A. I was, sir.

Q. Did you receive this receipt for Mr. Welles?

A. I did.

Q. They were executed and given the day here named?

A. Yes, sir.

Q. Where were you when you paid that money to Rose?

A. I was at his house.

Q. In Ann Arbor?

A. Yes, sir.

Q. You paid the money for both receipts at the same place?

A. Yes, sir.

By Mr. McArthur:

Q. You say you were at Dr. Rose's house?

A. I was.

Q. Was the ledger there?

A. I don't remember as to that.

Q. How did you arrive at the amount which was to be paid?

A. I think Dr. Rose told me the amount. I knew some time before at the laboratory, as I had called to find my account there some two or three weeks before at the beginning of vacation.

Q. You knew what your bill would be?

A. Yes, sir.

Q. How did you say you had learned the amount of the bill?

A. I called at the office at the laboratory before I went home at the vacation, and found out what my bill was there then.

Q. From whom?

A. I am not positive whether it was Dr. Rose or not.

Q. Did you sign any certificate stating the total amount you had paid the laboratory.

A. I don't remember that I did. I had paid nothing previous to that time.

Q. Did you know at the time what kind of certificates were required of students generally?

A. I don't remember anything with reference to certificates at all.

Q. When you entered the laboratory you made no deposit?

A. No, sir; it was understood that I should pay the money previous to the end of my course. I made an arrangement with Dr. Rose, I think, with reference to that.

Q. How long had you been a student when you made this arrangement, in the University in other departments?

A. I had been there two years and a half, being absent one year.

By Mr. McArthur:

Q. Whether you remember any conversation about the ledger not being there?

A. I remember no conversation concerning the ledger.

Q. Or of that being an unusual way of doing it?

A. No, sir, I remember nothing of that kind.

GEORGE PANTLIND SWORN.—FEB. 22.

By Mr. Taylor :

Q. Where do you reside?

A. Grand Rapids.

Q. When were you a scholar in the University of Michigan?

A. I commenced in the fall of 1871 and closed in '75, when I graduated.

Q. When did you take a course in the laboratory?

A. February, '75. The last semester of the senior year.

Q. When you settled your account, with whom did you settle?

A. I am under the impression that I settled with Dr. Rose. I am not positive.

Q. Whereabouts?

A. At the usual place where they dispense chemicals,—where they kept the books, which was in the main room of the laboratory.

Q. Did you take a receipt?

A. I got a receipt.

Q. Have you that receipt with you?

A. No, sir.

Q. What have you done with it?

A. I burned it up with the rest of my examination papers. I had kept all my examination papers and receipts for years, and they were kind of a nuisance to keep, so I took them in a bundle and threw them in the fire. I did not suppose there would be any question whether I paid the money.

Q. What kind of a receipt did you receive?

A. I could not state exactly what kind of a receipt.

Q. Was it anything like either one of these, or was it a printed receipt?

A. I think I received a receipt on which there was some printing. I remember distinctly receiving a receipt, because I always made it a point to do so.

By Mr. Hinchman :

Q. Do you remember anything about the color of the printing ink on the receipt?

A. No, sir; I paid no attention strictly to it.

Q. Was it anything like this one in red ink?

A. I don't think there was any red ink. I paid \$10 on the first payment, and then I made the general settlement.

Q. You made a deposit,—did you?

A. Yes, sir; \$10 at the start.

Q. Then it was such a receipt as that,—was it not? Did you get a receipt for your \$10?

A. I don't believe I ever received a receipt like that for my \$10. I don't remember ever receiving a receipt in red ink. I received a small card. I can remember that card very distinctly,—not what was on it, but I received a small card, that I kept in the same little drawer that I kept the test tubes, &c., and something dropped on that card and discolored it, and I mentioned to one of my class-mates that I had better take it back and get another one.

Q. Was it anything like the card now shown you?

A. It was something after that style,—a small card that I received. The reason why I remember it, is because it was soiled by acid, and I thought I would have to get another one. I would not speak positively as to

whether it was a receipt for the \$10 or whether it was simply a statement of being entitled to my desk. I know that I got one that gave me my desk. All the desks were numbered, and I got something for my desk. That gave me my desk. I remember that.

Q. Who gave you that card?

A. I got it at the same place where I paid my \$10.

Q. From whom?

A. I could not swear positively from whom it was.

Q. You don't remember taking a receipt like this for the \$10?

A. I don't remember taking a receipt like the one you showed me,—the red one for the \$10. I know when I first went in there I thought I could not pay the \$10 right away, and I was informed by the rest of my classmates, there would not be any necessity,—any time I paid would do; and I afterwards received the money and made my payment with the rest of my class.

Q. Did you understand that students that had been there for a long time were not required to make a deposit unless they chose?

A. No, sir; not at all. I understood in my conversation with Dr. Rose that it was not the usual practice to do that, but he would let me do so; but I did not see fit to do it. I received the money and I paid it.

Q. That ticket that you speak of,—was it not an admission to the laboratory,—an examination ticket?

A. I received the same ticket that every one of my classmates had, and that ticket gave them the right to their desk. That was the ticket I had in the drawer. That ticket I gave up, presented when I settled my bill at the end of the year.

Q. That is when you got through your work?

A. When I got through my work I handed in that ticket.

Q. When you paid your full bill did you sign your name to any receipt, bill, ticket, or anything of the kind?

A. My impression is that I did. I would not swear positively to it, but my impression is that I did, because I can remember the circumstances of my getting my receipt, or [on?] going there, and I think Dr. Rose was very busy dispensing chemicals, and he could not give me my receipt right away, and I afterwards went to the desk. I talked with some of the students of my class that were in the same room at their desks, and when I came back I received the receipt; and I am under the impression that I did sign some kind of a paper,—a receipt, or something of the sort.

Q. Do you remember the amount you paid at the final settlement?

A. I think it was somewhere near about \$18,—between \$15 and \$20. I know my total bill was somewhere in the neighborhood of between \$15 and \$20.

Q. You had paid \$10 before that?

A. I had paid \$10 before that.

Q. Was that in addition to the \$17?

A. The total amount was about that.

Q. How long before you finally settled did you pay the \$10?

A. It was within three weeks of the time I entered. I entered immediately after the semester examination, along about the 5th, of February. The following week I entered the laboratory, and inside of three weeks I paid the \$10.

Q. Did you take a receipt then?

A. I could not say.

DR. ROSE RE-CALLED.—FEB. 22.

By Mr. Taylor :

Q. What payments did you receive from Dr. Douglas on account of salary?

A. For what year?

Q. In each year.

A. Perhaps I had better take until to-morrow; I would like to examine the warrant book in order to do that.

Q. Was this salary all paid to you every year?

A. I received my salary every year; yes, sir.

By Mr. Hinchman :

Q. Always paid by Dr. Douglas personally?

A. No, sir.

Q. In what other way did you get it?

A. Part of it I received by warrant from the steward of the University.

Q. Was the matter of your pay at any time mixed up with your settlement with Dr. Douglas?

A. I think very likely it was.

Q. Can you tell by your books and papers?

A. Yes, sir.

DR. DOUGLAS RE-CALLED—FEB. 22.

Witness—Here is the receipt for the \$80: "September 26th, '68, Watertown, N. Y. Professor S. H. Douglas, Ann Arbor, Michigan: Dear sir,—We have your esteemed favor of the 27th, containing your check on Duncan Sherman, New York, for our bill now enclosed herewith, duly receipted, for which we are obliged. Portable Steam Engine Manufacturing Company. By H. Fiske, Sec'y."

By Mr. Taylor :

Q. Where did you find that receipt?

A. I found it among my files of letters.

Q. Since you went home?

A. Yes, sir. I think it has the clear marks of age. The other boiler that was alluded to the other day will be found in the gas company's books. \$315 I paid for it.

Q. You wrote to the Portable Steam Engine Company?

A. Yes, sir.

Q. Did you receive a reply?

A. I did.

Q. Have you got the letter?

A. I have.

Q. Please produce it.

A. I found it here on my return to Lansing.

"WATERTOWN, N. Y., February 17th, '77.

S. H. DOUGLAS, *Lansing, Michigan :*

Dear Sir,—Your favor of the 14th inst. is at hand. Our company has undergone some changes. It is now the Watertown Steam Engine Company. Mr. Fisk is dead. Mr. Powers and Mr. Bradford are not actively connected with it, and the records are very imperfect. I can therefore give you only the meagre entries which I find on the ledger, namely: Debtor, August 26th, to

one 35-horse-power boiler and one 40-h.-p.-boiler and pump, \$2,480; one small boiler, \$350; total, \$2,830. By draft, \$2,400; by cash, \$80; by draft, \$315; and by commission, \$35." The \$35 was the 10 per cent referred to on the small boiler, in the letter which was read the other day.

"The committee of the State Legislature are telegraphing you for the figures. Have evaded reply hitherto. *Please instruct me by telegraph what reply to make, if any.* Have no list price of the boilers at this time."

I have given no instruction; had no communication with them other than the letter.

Q. You paid the \$80 by draft on Duncan, Sherman & Co.?

A. Yes, sir. I cannot find the draft. I looked through [a book] of drafts and spent two or three hours in looking over them, but I did not find them. I have not taken special pains to keep those drafts, and I could not find out.

Q. You found the \$2,400?

A. Yes, sir.

Q. Where is the bill which the receipt says was enclosed?

A. I am unable to tell you. I have no knowledge of the bill, at least I have not been able to find it. I might find it on further search, but I cannot find it. The bill which is referred to I suppose is here. These parties now carrying on this concern are entirely different parties. Mr. Fisk, who wrote that letter, no longer lives.

Q. I mean the bill this receipt speaks of as having been enclosed.

A. I understood the bill was here the other day.

Q. Is this the bill enclosed in this letter which you have read?

A. I don't know. That is an acknowledgment of the payment of \$80.

Q. What relation did Fisk bear to you?

A. No special relation. The children of Mr. Henry W. Wells, who is a brother-in-law of mine—Mr. Henry W. Wells' wife was a sister of Mr. Fisk's wife.

Q. When did you receive this receipt?

A. I supposed I received it when the letter is dated,—September 26th, '68, in due course of mail.

Q. Do you swear that this receipt was dated on or near the day it bears date?

A. I suppose papers that are dated generally speak for themselves.

[Question repeated.]

A. I don't see how I can swear to it except from the date of the papers. I suppose so. I have every reason to believe so, if I understand the question.

By Mr. Hinchman:

Q. You paid by checks on Duncan, Sherman & Co.?

A. It so seems by the letter.

Q. Is that check among the papers returned to us?

A. It may be here.

Q. Does your bank book of Duncan, Sherman & Co. show that?

A. It does not show that.

Q. Is the account of Duncan & Sherman here?

A. A part of it is here,—some portions missing. I have not preserved them.

By Mr. Taylor:

Q. Do you swear that you received this receipt on or near the day it bears date?

A. I have no reason to suppose otherwise.

Q. Can't you answer the question directly?

A. I did. I have not a doubt of it.

Q. Will you swear that you ever saw this receipt prior to the last adjournment?

A. This letter?

Q. Yes.

A. I saw it: yes, sir. I found it in my files.

[Question repeated.]

A. I will, most assuredly.

Q. Will you swear the paper is in the same condition now that it was when it was received by you?

A. Exactly the same condition as when received by me.

Q. Have you torn off the bottom of this paper, or caused it to be torn off?

A. I don't know that anything has occurred to it in any way. I found it among the package of papers.

Q. Did you pay the \$80 before you did the \$2,400.

A. Well, sir, I can't say as to that. You can tell by the date. I presume I paid the \$80 last.

Q. Are you certain?

A. I could not say.

Q. In your testimony the other day didn't you say you sent the \$2,400?

A. I did. The dates of the papers show for themselves.

Q. And then had to send the \$80 afterwards?

A. I suppose I sent the \$80 afterwards. I have no doubt of it.

Q. Look at the letters, and you will find the date of the \$2,400 is September '69, and the other September '68.

A. If you will hand me the package of vouchers for 1868, perhaps I can interpret it. It is barely possible that that \$80 applied to some other bill. I had no figures and no dates before me to work upon. I found the voucher for \$80, and assumed it be onged to this. If it does, we shall find the other voucher.

By Mr. Hinchman :

Q. What package of papers did you find the \$80 receipt in?

A. A package of University letters and papers.

Q. Filed away for some particular year?

A. No, sir, I think not for any particular year. It was a file of papers that contained some letters that I will produce here in the proper time.

Q. You have some laboratory letters that have not been put in the possession of the committee?

A. Yes, sir; a package I found since I went home. I beg your pardon; here I find the bill with the \$80 paid for a sand bath, being the same amount I assumed it covered the \$80, without noticing that the date the letter corresponds to this voucher. I had no means of verifying the dates, and being of a corresponding amount, I took it to be the \$80 referred to. I shall have to fall back upon that letter and a statement from their letter and telegram, which you received, if you have received such a telegram. As I have said before, I have nothing to conceal in the transaction.

By Mr. Hinchman :

Q. Why were those bought at Watertown?

A. Because it is a very excellent establishment, a very large concern where a great many boilers and engines are made for the lakes; and my experience with

them has been very favorable for work. Mr. Fisk, who wrote that letter, was a stockholder in the establishment, and the other gentlemen named, Mr. Powers and Mr. Bradley, I know nothing of. They were the men with whom the bargain was made. Mr. Fisk introduced them to me.

Q. Did you make inquiry at other points about prices?

A. Yes, sir, I received bids from Chicago and Detroit.

Q. What Detroit house?

A. I cannot give you the particulars with reference to them. I know that I took all pains to get at facts, quite sure, for it was my custom to do that.

Q. Will you please produce the package of letters relating to the University and laboratory which you say you have lately found.

A. I prefer not to produce them until to-morrow.

Q. Have you them here?

A. I have. I have special reasons.

[After consultation the committee request Dr. Douglas to produce the papers, and they are produced.]

Witness.—I made a statement the other day with reference to the assistant account, upon conjecture. Since I returned home I found the following vouchers covering that assistant account, just as they were filed, and here is the state of the vouchers and the account. The committee had better compare them with the statement which is there, without calling names. That covers the whole ground, with vouchers for every dime of that assistant account.

Q. Where did you find these vouchers?

A. I found the vouchers in my desk in a bundle of papers which I have just produced. It will be recollected by the committee that I have been holding University correspondence for thirty years. I desire the committee to examine the question. I believe those two receipts cover the \$100 about which there has been so much question. They were mislaid out of their proper place, in another package where they did not belong, and where the report did not call for them.

Q. These are the two you produced before?

A. The same two that I did not know what application to make of them. To-morrow, when I can look it over further, I will satisfy myself whether they should apply there. I have no doubt of it now, but I do not wish to make an affidavit to that effect.

DR. DOUGLAS RECALLED—FEB. 23, P. M.

By Mr. Taylor:

Q. When you introduced the \$80 receipt yesterday, did you not intend that it should be accepted by the committee as a receipt for the \$50 due on the boiler account?

A. I supposed it applied there until I found the voucher.

Q. Did you not know when you introduced it that it did not apply upon the boiler account, but did apply upon another account?

A. I did not.

Q. If not, why did you immediately upon its being made to appear that it could not cover the \$80 boiler account, call for the other account and select the proper one?

A. I took the date of the letter and then went to the year to find vouchers from these same parties. I found the voucher in the package. I have had

dealings with these parties, and bought several steam chests of them, and bought an engine of them, and bought another boiler of them. I purchased three steam chests of them, I think, at different times. When I found this letter, not having any date to go by, and being the same amount, I concluded it belonged there and was properly placed there,—a legitimate conclusion, I think, myself. No mistake about that.

Q. Did you have any memoranda of the date of the boiler account?

A. I don't know whether I had or not. I took some memoranda: whether they were the dates or not I don't recollect. On the evening as I returned home, I went immediately to my desk with my son, and overhauling the papers to see what we could find, we came to this letter and the other vouchers. We were somewhat jubilant over it, I confess. I assumed, perhaps prematurely, that the \$80 applied to the boiler without thinking of dates or giving the thing any further thought. I would say with reference to all these papers that it must be recollected that I have been connected with the University, and doing the business for the University more or less, for over 30 years; and a vast amount of material of this kind accumulated. Part of it is in my desk in my office, and part has been packed away in the attic; and I have rummaged the attic, desk, and laboratory to find papers, and it is not at all unlikely the papers exist that may or may not have a bearing upon these questions. I will not say that I have delivered all, but I have intended to deliver every scrap of paper that had any relation to it.

Q. You say you took the date of the year and then went to the vouchers; why did you not go to the date when you saw the date in the receipt, and not wait until others had discovered the error?

A. I hadn't the receipt. I had no papers until I saw the letters, and then, when the discrepancy was shown which Mr. Sawyer pointed out, I immediately went to the package of vouchers pertaining to the year in question. It so happened it was the same amount.

Q. This investigation into the laboratory defalcation has been going on for over a year: Do you mean to be understood that you had not yet examined all the letters and papers relating to the laboratory?

A. I supposed that they were all here: all that I know of are here relating to that.

Q. How is it that you keep bringing to light new papers and new documents?

A. The explanation which I have already given, is that these papers—large numbers of them—I have no doubt you will find in the hands of Mr. Bennett, to-day,—letters and correspondence of various kinds pertaining to the laboratory and pertaining to me. I presume so. I do not know.

Q. As much as you are interested in this investigation, have you not taken the pains to investigate every letter and paper in your possession?

A. I thought I knew every letter and paper.

Q. Haven't you looked over that garret from beginning to end?

A. I looked over it considerably. I will be glad if any member of the committee would go to my premises and go from end to end with me. I have nothing to conceal; never had anything to conceal,—not a scrap. If you will delegate any member of the committee he may go and search my house from cellar to garret. I have nothing to conceal there, sir.

Q. What is your age?

A. I am 60 years of age.

Q. When did you graduate?

A. I graduated in 1842.

Q. At the time you became connected with the laboratory what property had you?

A. Well, with reference to that I have to say this: That I am unable to give a definite answer to that question. It was 20 years ago, and my books kept at that time have not been preserved so as to enable me to give in detail all the property I had at that time. 10 years ago, January, 1867, I opened a new set of books. Those books have been in the hands of the committee. They are at the hotel now. I will produce them at any moment. These books contain an inventory of what property I had at that time. I supposed that when I became connected with the laboratory, as near as I can estimate, I had probably \$5,000 in all.

Q. Of what did it consist?

A. It consisted almost exclusively of my homestead, the place where I lived. I had little or nothing beyond that.

Q. Have you since had any income except your salary? and if so, from what sources and to what amount?

A. Well, I will state with reference to that, that I can go back only to January 1, 1867. From that time I can give in detail my entire income; but I may state in that connection that my wife has property that has fallen to her. She has been in the receipt of property since that time and before that time.

Q. What amount?

A. I will state as near as I can—

Q. Why do you commence in '67?

A. Because my new set of books were opened at that time.

Q. Is that the time you considered yourself worth \$5,000?

A. No, sir. My inventory at that time showed that I was worth a little over \$20,000. I have got it here somewhere; my eye don't happen to light upon it, but I will find it before I get through. I was saying that my wife's property and my own property became mingled; they are not separate. In making up this statement my first effort was to make an entirely separate statement and keep the two properties distinct; but I found it practically impossible,—that my books were not based upon any such theory, and hence I have made the statement differently. The summary of my income is as follows:

By Mr. Hinchman:

Q. In what year did you receive the first amount on the Wells estate?

A. I received the first amount a year or two, perhaps a year before I opened this new set of books.

Q. About 1866?

A. 1866; about 1866, I think. I have not directed my attention to that particular point. I should think it was a year or two before I opened a new set of books.

By Mr. Phelps:

Q. How much did you receive from that source up to 1867?

A. I can't say. I should think perhaps \$1,500 or \$2,000, and then previous to that time I can only give you a vague idea of my sources of income. I was engaged—I recall one source of income—

By Mr. Kelley:

Q. The question asked you was, if you had any income except from your salary? and if so, from what sources and what amounts?

A. That is what I am answering.

Q. That question did not imply what your income has been except outside of your salary?

A. That is what I am answering. I spent one vacation prior to this in the employ of the Sault Ste Marie canal company in exploring the lands of the Lake Superior company, where I received a fair remuneration,—I think from \$1,500 to \$2,000; that is for my summer's work. I can recall the transaction. It is \$20,000 and odd dollars that I had when I opened this new set of books,—the result of 22 or 23 years' work,—the best part of my life.

Q. Can you give us a general idea from what sources your income outside of your salary came?

A. I have here a summary since 1867.

Q. This implies the whole time,—from what sources it came, except the Sault Ste Marie canal that you call to mind?

A. I have always done more or less analytical work, which has given me some income.

Q. About what do you think you would receive from that source per year?

A. It is very variable; from \$200 to \$300 I should think. That is what it has been since 1867.

By Mr. Hayes :

Q. What were you worth in '64, probably? Estimate it.

A. I could answer you to-morrow exactly.

Q. That would be three years before your statement?

A. I don't know that I could answer definitely. It would be a mere vague guess.

Q. I see here in your private book, I should judge you had made a sort of memorandum that comes up to May, 1864.

A. On December 1, '64, I seem to have been worth \$12,532.18, according to the memorandum. That is undoubtedly a truthful statement.

Q. I see in three years after you were worth \$20,000.

A. Yes, sir; I have in detail all my income from 1867 up to January 1, '77.

Q. Exclusive of your salary?

A. Yes, sir; and these are the sources: I made a profit on bank stock of the First National Bank, \$401.30; I made, in that period, \$2,440.25 from analytical work; the book that I published yielded me a profit of \$1,567.30; I invested in stock of the following gas-light companies (was interested in them): St. Joseph, Mo., I was one of the original purchasers of that, and was connected with the re-building of it; Niles, Michigan, and Muskegon, Michigan. From those sources I have made a net profit of \$10,110.42. I have received from dividends of the Ann Arbor Gas-light Company in that time \$16,510.50; I have received for services from the Ann Arbor Gas-light Company \$2,229.25; I have received from the estate of John A. Wells and Henry W. Wells, for services, \$8,138.36; my wife has received from the estate of John A. Wells in that time, \$7,579.85; I have received, from various sources, of interest, \$3,115.40; I have received from sundry small matters, \$284.95: making a total income of \$52,377.58. This is also connected with the inventory made on the first of January last, which shows as follows: Gas stock, \$21,511.34; real estate, \$10,084.45; Horse and carriage, etc., connected with it, \$1,040.35; household furniture, \$1,904.13; stock of the Muskegon Gas-light Company, \$450; invested in the book store, \$12,109.65; bond and mortgage of T. Reilly,

\$133, cash in bank, \$495.24; cash in my own pocket, \$19.10; due from the laboratory at the University, \$2,268.24; due from the estate of Henry W. Wells, \$1,843.56; due from the estate of Dr. Pitcher, \$442.40; due from Kinne & Pond (which really goes to pay for Mr. Pond's services), \$100; due from my son, \$580; gas company's note, \$500; S. S. Henderson's note, \$150; balance in the hands of Duncan, Sherman & Co., \$22.98: making a total of \$53,454.42.

Against that are to be placed my liabilities: due the estate of John A. Wells \$1,125.51; due the gas company \$577.81; due Mrs. Burns \$1,000; A. H. Hogan \$160; Mrs. Higby \$338.91; Susan H. Wells' estate \$2,025.27; due the bank \$1,500; gas company \$138.95, and note \$1,500; making a total of \$8,376.45. Deducting that from my income gives the total value of my property to-day, inclusive of my wife's, \$45,077.97.

The question was asked what portion of this belongs to my wife. It would be a difficult question to answer. I can only say probably about \$15,000,—somewhere between \$15,000 and \$20,000 would be her fair, equitable share of that property.

Q. You gave an item of \$2,400 income from bank stock?

A. \$401.30.

Q. What bank?

A. The First National bank of Ann Arbor. I own some stock in the First National bank. I had \$3,000 of the stock at first cost. I sold it at a premium and made \$401.30.

Q. What is the \$2,400 item?

A. Work of analysis in the 10 years.

Q. You had some stock in the St. Joe gas company?

A. I had \$10,000.

Q. Do you still own that?

A. I do not.

Q. Did you sell it?

A. I sold it; I made something short of \$5,000 profit, I think.

Q. Where do you account for that in your income?

A. It is a part of the \$10,110.42.

Q. Did you have some stock in the Niles gas company?

A. I had no stock in the Niles company. I spent the summer vacation building the Niles gas-works.

Q. What did you make on that?

A. I made a profit of between \$3,000 and \$4,000.

Q. How much stock did you have in the Muskegon gas company?

A. \$500; it cost me \$450. I invoiced all these for what they cost.

Q. Do you own any stock in that company now?

A. Yes, sir.

Q. What is that stock worth?

A. I suppose it is worth par.

Q. How much stock do you hold?

A. \$500; cost me \$450.

Q. How many years have you held it?

A. Since its first organization.

Q. How long ago was that?

A. Four or five years perhaps, I don't remember the precise date.

Q. You reported a profit of \$16,000 on it, didn't you?

A. No, sir.

Q. What is that \$16,000?

A. St. Joe stock, Niles Gas Works, and Muskegon Gas Company \$10,110.42.

Q. What is the \$16,000?

A. Dividends that I have received from the Ann Arbor gas stock, of which I own \$31,571.34 at the first cost.

By Mr. Phelps:

Q. Do you own any gas stock outside of the State?

A. Not now. I sold my St. Joe stock.

By Mr. Kelley:

Q. To whom did you sell the Muskegon stock?

A. I have not sold it.

Q. About what dividends does that pay?

A. Eight or ten per cent. I think it has generally paid ten per cent.

Q. You still hold the stock in the Ann Arbor Gas Company?

A. Yes, sir.

Q. How much?

A. \$21,511.24.

Q. Is that what you invoice it at?

A. Yes, sir.

Q. What dividends does that pay?

A. From eight to ten per cent.

Q. That is all paid-up stock?

A. Yes, sir.

Q. Did you ever own any bank stock in the State of New York?

A. No, sir. I never owned any bank stock except in the First National in Ann Arbor, and that I owned only a short time.

Q. Did you keep a bank account any time you were connected with the laboratory? and if so, with what bank or banks?

A. I kept a bank account with McIntyre, a banker in Ann Arbor; I kept a bank account with Miller & Webster, bankers in Ann Arbor; I kept a bank account with the First National Bank of Ann Arbor, and with Duncan & Sherman, of New York.

Q. Will you produce your bank books?

A. All the bank books I have been able to find are in the hands of the committee now.

Q. Have you looked for your bank book for the year '74?

A. I guess it is here.

Q. No; that year is missing; I think that is the year. There is one year gone.

A. I guess I can find it. I thought it was here. I can get a copy from the bank if it is not here.

Q. Did you keep any money with any private individuals during the time you were connected with the laboratory? and if so, with whom?

A. I did not.

Q. Did you make any loans of money to any persons, either for a long or short time, during the time you were connected with the laboratory? and if so, when did you make such loan or loans?

A. I can't recall all the transactions of this nature. I can say that I have not been in the habit or practice of loaning money to parties except in small

sums occasionally. The following embraces all the transactions of this nature that I can readily recall. These are on my books. The bond and mortgage of Dr. Lewitt, who lived directly opposite me, which I did own and paid,—loaned him money for two years, \$1,329.50. Aside from that there are occasional advances to the laboratory, of which you are all aware; occasional advances to the Ann Arbor Gas Company; furnishing them money when they were short; occasional advances to the estates of John A. Wells and Henry W. Wells; bond and mortgage I have already named; T. Reilly, \$133; and I once loaned David Henning \$483.33, I hold a note now, D. S. Hendersen, \$150. Those are all the transactions I can readily recall.

Q. Have you ever endorsed any paper for any one? if so, when and for whom? and have you been compelled to pay any money on account of such indorsement? and if so, when and how much?

A. I have no recollection of ever having indorsed any person's paper except the paper of the Toledo & Ann Arbor railroad. The directors of that road, myself included, indorsed a note to the bank to carry on the work. On that note I think there is \$600 due. It is not paid yet, and we shall undoubtedly have to pay it. There are some eight of us, and we shall have to divide it around. That is all that I have ever lost,—the only note that I have ever indorsed. I have never met with any losses of this kind.

Q. Were you in the habit of placing money in the hands of any one to loan for you during this time? and if so, with what person or persons, and to what amount?

A. I have not. Never had any money with any person to loan.

Q. What property have you acquired since you became connected with the laboratory department, and what do you now own?

A. I have already said I can now go back to January 1st, '67, and my answers to these questions refer to that time. January 1st, '67, I opened a new account book, as I have already said, and the inventory shows \$20,741.08. This includes all the property inherited by my wife as well as the products of my 20 years' labor. The inventory which I have already submitted here and read will show what I had on the first of January, 1867. The property was valued, deducting the indebtedness, at \$45,077.97. This includes the property of my wife so far as it has come into my possession.

Q. What property had you when you first became connected with the laboratory?

A. I cannot give an answer to that question.

Q. What property have you acquired since then independent of that?

A. I acquired whatever I have got on hand. The difference in the figures will show.

Q. Can you state?

A. \$45,077.97 less \$20,741.08; making \$24,336.69.

Q. Have you at any time had any interest in any lot or house in the city of Ann Arbor or elsewhere, or lands elsewhere the title of which has not appeared to be in your name by the record in the office of the register of deeds? and if so, state the character and location of such property.

A. I have no property which is not in my own name. I beg your pardon: I have a pasture lot a little outside of the town that I think is in my wife's name: I am not sure. I paid \$600 for it.

Q. Have you at any time owned stock in any corporation? And if so, in what corporation and what amount of stock?

A. I have owned the following stock: First National Bank, \$3,000; St. Joe Gas Company, \$10,000; Muskegon Gas Company, \$500; Ann Arbor Gas Company, \$21,511.34; Toledo & Ann Arbor Railway, \$500.

Q. Have you been interested in any speculative adventures of any kind? And if so, what and where, and how much money have you invested therein? State every incident.

A. I have not been interested in any speculative adventures except those that have been named here. I don't know that I ever lost a dollar in speculation of any kind. I never made any speculations except those I have named.

Q. Have you any money out at interest, either by mortgage or otherwise, atanding in your own name? If so, when did you first put it out, and what amounts have you had from time to time at interest?

A. I have none except that referred to in the inventory in the transactions I have already named.

Q. Have you any money out at interest either by mortgage or otherwise not in your name?

A. I am not aware of anything that I have not named.

Q. What disposition have you made of your several incomes from year to year?

A. I have used it as best I could. The fruits of it are what I have got.

Q. Where did you get the amount which you say you advanced when you became connected with the laboratory?

A. I got it by proper earnings and savings of my labor and energies. I don't know as I can specify where I got it.

Q. Where was it when you became connected with the laboratory?

A. It was in sight of my eyes in Ann Arbor.

Q. All invested in the city of Ann Arbor?

A. Yes, sir. I did not have a dollar, except the Muskegon and St. Joe stock, invested anywhere else that I can recollect of.

Q. In the matter of estates which you say were intrusted to you or to your hands, and in your keeping, did you keep such estates or the money, &c., belonging to such estates separate from your own matters?

A. They were kept separate as far as practicable. I kept distinct books of those estates.

Q. Did you keep all matters pertaining to those estates and the moneys received therefrom separate from your own business?

A. The moneys which I received from those estates—there is a practical difficulty in keeping them separate and distinct. The books of those estates will indicate precisely their condition. The estate of Henry W. Wells, my brother-in-law, I have had charge of for 15 years. There are four orphan children connected with the estate,—girls. That estate started with \$40,000. It invoices to-day (and I have still charge of it) \$60,000. The children have been supported out of it.

Q. Do the books of the estate or estates that you have kept show the amount of income derived from each estate each year?

A. They do. I keep with those estates an income account, an expense account, and all the details appertaining to them. I make an annual inventory of those estates and submit it to the heirs.

Q. During your charge of those estates have you invested any money for and on behalf of such estates?

A. I have kept the money invested, not in a speculative way at all. I never

loaned in behalf of those estates a dime beyond 10 per cent interest. I keep it invested on long time, on bond and mortgage, and on good securities; and I believe from neither of those estates have I ever lost a dollar. The children of one of those estates are all of age.

Q. Can you give us the date that you invested in the bank \$3,000?

A. I cannot now.

Q. Can you give us the date of your investment of \$10,000 and upwards in the St. Joe Gas Company?

A. I cannot without looking at the books.

Q. Can you of the Muskegon investment?

A. Not without looking at the books.

Q. The Ann Arbor gas company?

A. I could in detail. I have been an original stockholder in the Ann Arbor gas company from its organization.

Q. Is that your original investment,—\$21,000?

A. No, sir; I have added to it from time to time.

I would state in reference to these trust funds, that very many or quite a large portion of the loans belonging to this estate stand in my individual name. The books of those estates show, however, clearly to whom it belongs. The investments are mainly mortgages, and they are made in my individual name to save trouble of transfers and obtaining discharges. In one of those estates there are at least 25 heirs, and to obtain the discharge of a mortgage from 25 heirs pretty much scattered all over the country, would be almost as much as the mortgage would be worth; and hence those properties have been in my individual name. Then again, every lawyer knows the difficulty of obtaining the discharge of a mortgage from minor heirs. You have to go the courts to get parties to discharge, and hence the properties have been kept in the form in which they have, and stand in my individual name,—that is a portion of the property.

By Mr. Hinchman:

Q. Did you have an account with Miller & Webster?

A. I did.

Q. How much did you lose?

A. This bank book shows \$1,669.60.

Q. Any of that University money?

A. No, sir.

Q. Did you lose anything by oil stocks,—oil companies?

A. I never lost a dollar by oil stock in my life. I never owned any oil stock.

Q. By railroad stock?

A. No, sir, except the Toledo, Ann Arbor & Northern Railroad, and I charged that to expense account, and disposed of it in that way.

Q. That was a total loss?

A. Yes, sir; \$500 of it.

By Mr. Phelps:

Q. You stated that you had loaned some of this money in your own name. If you should die suddenly how would they get their money?

A. I think those books would show to whom it belonged; and furthermore, where a mortgage has stood in that way, to save all trouble of that kind, I have usually filed with the mortgage an assignment of the mortgage to the estate, not putting it on record, simply to show that it did belong to the estate; so that if there was any question about it it would so appear.

Q. How much of the estate is invested in your name?

A. I could not say definitely; probably \$20,000 or \$30,000 in the estate of John A. Wells. That is but a small portion. As it stands to-day it is invested in my name; I am trustee of the widow. The larger portion of the estate has been divided among the heirs. She had half of it and I am the trustee of that half; and there being no minor heirs, the investments of that estate are in my name as trustee.

By Mr. Hayes:

Q. Why do you invest some in your own name and others in the name of the estate?

A. Where the minor heirs would embarrass the investment by reasons of the difficulty of obtaining discharges of the mortgage, I invest it in my own name. To illustrate it: There are mortgages now in Saginaw county where there are minor heirs, and one of those heirs has recently died; and I suppose there is at least \$10,000 awaiting administration on the estate of that minor heir, and the parties refuse to pay because we can give them no discharges of the mortgages.

Q. I understood you to say that you invested in the same estate for the same heirs a portion in your own name and a portion in the estate's name.

A. Usually where there are minor heirs to embarrass, I have invested in my own name, and then filed with the investment a transfer,—an assignment. The books in all these cases, if the committee desire it, I can put in.

By Mr. McArthur:

Q. I would like to inquire whether they have any evidence aside from an assignment filed with the mortgage that the property belonged to them?

A. The books of the estate will show the fact.

Q. The books that are in your possession?

A. Yes, sir.

Q. You do not give them an annual statement?

A. I give them an annual statement.

Q. Showing these facts?

A. Yes, sir. My annual statement on the first of January to all the parties in interest who are old enough to appreciate and understand it.

Q. The details of where the money is?

A. Yes, sir; the details of all investments.

By Mr. Kelley:

Q. You say some money belonging to these estates is out on mortgages in your individual name; are they given to you as "Silas H. Douglas, administrator or guardian," or simply as "Silas H. Douglas?"

A. To put it as "administrator" would of course embarrass it. They are usually given in my own name,—standing in my own name. The records of Washtenaw county will show them in my own name; but the books of those estates, I have already said,—if the committee desire to see them I will have them sent for and produced here.

By Mr. Hayes:

Q. Could you not discharge as well by signing as administrator as by your own name?

A. No, sir. The administration of those estates was closed long ago, and it stands now in the form of guardianship, and trustee, and various ways, according to circumstances.

By Mr. Kelley :

Q. Can't you just as easily discharge a mortgage or execute it as administrator or guardian as you can in your own individual capacity? That is, does it require any more formality to discharge a mortgage one way than it does another?

A. I don't know, sir. I am not a lawyer; I could not answer it.

I would say another reason why those properties stand in the form they do is they are frequently transferred from one estate to another. Since I left here during the interval of the adjournment \$7,500 was paid to me from the estate of John A. Wells. The mortgage was recorded in Ann Arbor. One of the minor heirs desired some three or four thousand dollars from the estate of Henry W. Wells. There was no money in my hand belonging to that estate, and I simply transferred another mortgage, belonging to the estate of Henry W. Wells, to the estate of John A. Wells. It stood in my name. It was a convenience in that way, in transferring it from one to the other according to the necessities of the interests involved.

Q. Have you not employed from year to year the best legal advice you could obtain?

A. I don't know; I suppose I have. I have had some good advice and some poor!

Q. Did you loan the money of these estates upon mortgages without the order of the probate court?

A. Yes, sir; I did.

Q. Did either of the estates you have named have any money with Miller & Webster?

A. They did.

Q. How much?

A. I could not tell you here without looking at the book, it is a part of that \$1,600. We made an equitable decision of what we thought was a fair loss; the heirs assented to it. I said a little while ago that I had never lost anything for either of the estates; perhaps I ought to qualify it with reference to Miller & Webster's, there were some losses there. The loss of Duncan, Sherman & Co., amounting to \$22, I pocketed myself.

Q. Was this money that was on deposit with Miller & Webster?

A. Yes, sir.

Q. In whose name was it deposited?

A. In my name; legally, I suppose, I was liable for the whole sum. I left it to the liberality of the heirs to say whether I should pay it.

By Mr. Mills :

Q. You speak of acting as administrator, guardian, and agent; do you mean that you have been appointed by the probate court as agent in any case? I wish to know simply under what authority these several dispositions were made of the estates committed to you, and to inquire why you should take the proceeds which you did, if you possessed that authority. Now, under this authority conferred, what necessity was there, if you were guardian or agent, or had any definite power conferred by the probate court, what necessity was there for you to act outside of that power conferred, and assume all those in your own name? That is what I want to reach. Were you so advised that it was necessary?

A. As I said, I am no lawyer. I know this: that in Saginaw county when-

ever a transaction occurs we have to go to the courts, if there are any minor heirs involved in that transaction,—we have to go to the courts, at great expense of money and time to get it authorized, and make it legal.

Q. If you show the proper authority under which you act, by will or decree of the probate court,—do you?

A. The courts will not grant the authority that is necessary to transact the business with ease and facility. The property at Saginaw perhaps is the most embarrassing of all. It is real estate,—city lots in the city of Saginaw,—and every sale that is made it is absolutely necessary to make the sales to go to the court.

Q. If the power is conferred upon you by will duly probated?

A. It seems to be a questionable power. We have to go to the courts to get authority.

By Mr. Hayes :

Q. If I understand you correctly, you say in the same estate,—for instance, take John Wells' estate, you say you invest part of it in the estate's name and part in your own name, or the other estates?

A. There is one-half of the property belonging to the estate of John A. Wells that is in the hands at the present time,—and has been for some time,—of myself with my co-trustee. There are two trustees. Wherever that property is concerned it runs to me as trustee. The papers are made in that form.

Q. Do you invest any money in your own name, and also invest it in the name of the estate,—money belonging to the same parties? Have you ever done it in either estate.

A. I could not say positively about that. I have reasoned it in this way, without being over nice as to the technical or legal points, saying, as it appeared by these books belonging to the estate, and appeared by the papers that it belonged to this estate, it seemed to me no embarrassment could result from it. I may be laboring under a mistake.

Q. Have you ever invested in your own name, and also invested in the estate's name, the money belonging to the same heirs?

A. I don't know as I can answer that question better than by the transaction I just alluded to. The transaction that I alluded to was a mortgage.

Q. You can answer me yes or no,—can't you?

A. Repeat the question and I will try to answer it yes or no.

Q. Have you ever invested any money in your own name, and afterwards or before invested money belonging to the same heirs in the name of the estate,—money of the same estate?

A. I think not unlikely I may have done so, and yet I may not.

Q. Why did you do it, if you have done it?

A. I don't know what answer I can make to that, I am sure. There it stands. I will bring the papers and mortgages and everything else, if you wish. They are kept separate and distinct; the books are separate, the papers are separate, and bonds and mortgages show on the back, if in my name, that they belong to the estate of John A. Wells.

By Mr. Phelps :

Q. Do you think the showing of the books would cut off your heirs from the taking of that mortgage?

A. I don't know.

Q. Suppose your heirs saw fit not to let the other heirs have the books, or suppose the books are burnt?

A. I am no lawyer.

Q. Would you like to have your own property in that shape.

A. It never occurred to me that I would have any objection to it.

Q. Have all the persons interested in this estate been cognizant of the manner in which the business has been done?

A. I think they have.

By Mr. McArthur:

Q. When you received these moneys in these various estates, where did you enter them?

A. I entered them in the books of the estate.

Q. When you received a sum from any one of these estates you entered it in the proper books of that estate?

A. Yes, sir.

Q. And then put the money in with your own? Didn't you keep any other cash account than in that way?

A. My own books are a cash account; the books of each of these estates are a cash account.

Q. After you had entered it on that book you treated it for a time as your own. What I want to get at is, whether you did not have a general cash book on which you entered all the receipts and then transferred them to these proper books?

A. No, sir; I did not. The inventory which I mentioned here—there is due from the estate of Henry W. Wells \$1,843.56 for money advanced to them. There is due to the estate of John A. Wells \$1,135.61; and so it goes.

Q. You didn't keep any cash account only as you kept account with different parties?

A. Kept a cash account of each of these entries; each set of books had its cash account.

Q. You treated the cash as your own for the time being?

A. As my own; yes, sir.

Q. I should suppose that a man would want to have kept a cash account in which he entered every item from every source?

A. I do not profess to be an expert. I have my way of doing things; perhaps they are wrong.

Q. Give us a detailed statement of what you received aside from your salary prior to '67. Give it in items.

A. I have already said I cannot do it.

Q. How much did you invest in the gas companies? State the amount invested in each company separately, and tell us when you invested it in each?

A. I could not tell without consulting my books when I invested it; I can state the amount.

Q. Where are your books?

A. Here they are: it will take a little time to look it up. I invested \$5,000 October 4, '71, in the St. Joe Gas Company stock.

Q. Any other investments in that same company?

A. No, sir.

Q. Give the next company.

A. I invested \$450 November 8, '71, in the Muskegon company. I invested \$3,000 January 1, '67, in the First National Bank stock of Ann Arbor.

Q. Have you the investment in the Ann Arbor Gas company:

A. \$21,511.34.

Q. Give the dates of the investment?

A. January 1, '67, \$3,400; January 15, \$1,600; October 1, \$5,384.32; October 1, \$346.74; July, '68, \$1,986.05; December, '68, \$125; January 1, '69, \$1,392; June, '69, \$1,860; August, '69, \$119.47; December 5, '70, \$500; July 1, \$1,507.10; February 15, '71, \$3,450; March, '72, \$575; October, '73, \$1,165.

Q. How much gas stock do you now own? Name the companies and amounts of each.

A. I have already given it.

Q. Answer it again.

A. Ann Arbor \$21,511.34; Muskegon gas stock \$450.

Q. That is all the stock you own?

A. Yes, sir.

Q. How much bank stock do you own?

A. I have none.

Q. How much money have you now put out on bonds and notes, or on mortgages, and the names of the persons against whom you now hold mortgages, bonds and notes?

A. Thos. Reilly, a mortgage of \$133.

Q. Anything else?

A. No, sir.

Q. No bonds? No notes?

A. A couple of notes: Gas Company's note, \$500; John C. Henderson's note, \$150.

Q. Any others?

A. No, sir.

Q. Do you say that no persons owe you upon mortgages and notes other than those you have mentioned?

A. I am not aware that I hold any notes against parties,—nothing unless it may be slight cash memoranda or something of that kind,—a few dollars. Nothing to any extent. I don't know that there is anything.

Q. Did you not tell Climie and Tregaskis and others that you had an entry of every cent you had received and paid out since you were connected with the laboratory, or words to that effect?

A. Well, I don't recollect whether I did or not. If I did so, I was laboring under the impression that the books prior to '67, were in a condition to show it. I had not looked at them for several years. I supposed they were in a condition that would enable me to show just what they were.

Q. Will you state to the committee the items of commission and the amount and items of supplies to the laboratory for which you charged interest and commission in '69?

A. I thought that commission business had been thoroughly ventilated. If you have the questions I will take them and look them up.

Q. Can you answer it by examining your annual report?

A. Perhaps I can. I have received no commissions in that year or any other year.

Q. Have you received any interest, or charged interest in that year or any other year?

A. I don't know.

Q. Can you examine your report and tell?

A. I spent the summer vacation in making this addition to the laboratory, I arranged with the Executive Committee and the Board of Regents, one or both, or all, that I should be paid for my services, and that I should be paid five per cent.; the Board of Regents appropriated \$4,000 for the building, five per cent. of that \$4,000 would be \$200, that was what the board thought they could pay towards the building; I said, out of the laboratory funds I will do all else that may be necessary to finish that building,—put in all the necessary fixtures, and put it in a condition for work. The \$200 charged, was five per cent. on the \$4,000 of the appropriation of the Board of Regents; of course that \$4,000 did not enter into my laboratory account, it was a building account, whatever came out of the laboratory fund came into this laboratory account. Now, whatever was put into that building from the laboratory funds was brought into this account, and whatever of permanent fixtures there were which were a necessary part of the work of the building, upon which the board paid me the sum of five per cent., in looking at the account, I see are brought out upon the margin.

Q. Can you find the bills upon which that was based?

A. I presume so,—every one of them. Voucher number 9, pump \$200; voucher number 11, steam chest, \$80; voucher number 12, bill of Waffle & Co., N. Y., \$166.25; voucher 15, Michigan Central Railroad, \$22.54; voucher 26, Michigan Central Railroad, \$5.35. Those were charges on some of that steam work. Voucher number 18, M. C. R. R., \$8.88; voucher number 20, Slawson & Son \$60; voucher number 21, E. M. Blackford & Co., \$74.19. That is a Chicago firm, if I remember rightly. Voucher number 22, \$61.01; voucher number 24, J. Johnson, \$5.50; voucher number 25, M. C. R. R., \$4.78; voucher 27, condensers, \$75.25; voucher number 28, lumber, \$78.86; voucher number 29, M. C. R. R. \$141. Voucher number 30, M. C. R. R., \$17.34; voucher number 33, M. C. R. R., \$3; voucher number 34, \$5 for labor; voucher number 35, Ritchie & Sons, \$136.50; voucher number 36; carpenter work, \$296.14; voucher 37, \$10.80; voucher 38, \$17.50; voucher 39, Scrivener & Co., \$38.34; voucher 40, Gilmore and Fisk, \$110; voucher 35, B. S. Sturtevant, \$328.75; voucher 46, J. H. Luhme & Co., \$1,482.22; voucher 48, \$6; voucher 49, \$7.39; voucher 51, \$434.13; voucher 32, expenses to Detroit, \$4.20; voucher 56, \$365.98; voucher 57, C. L. Ross & Co., ventilators, \$216; voucher 59, carpenter work, \$4.88; voucher 60, J. W. Hunt \$455.09, hardware; voucher 65, Dean & Co., \$10.90; voucher 66, G. Haler, carpenter, \$5.96; voucher 69, railroad, \$31.60; voucher 70, H. R. Jenkins, \$13.50; voucher 71, J. R. Slawson, \$353; voucher 73, Wagner, \$8; voucher 74, \$22.64; voucher 76, carpenter work, \$8.59, voucher 78, Journal of Pharmacy, \$8.15; voucher 80, Dean & Co., \$7.50; voucher 81, S. Cook, \$26.50; voucher 83, M. C. R. R., \$13.74; voucher 94, J. W. Hunt, \$74.06; voucher 105, Luhme & Co., \$669.85; making in all \$5,782.68. Those were permanent fixtures, and part of the building and its outfit.

Q. Have you the bills of Luhme & Co.?

A. Yes, sir: they are there in the package of vouchers. They are there, or in the possession of the board.

Q. Any chemicals or glass ware?

A. No, sir; I think the amount charged here brought out on the margin is of the nature of permanent fixtures. I can tell by looking at the bills.

Q. The building was put up during the vacation?

A. Yes, sir.

Q. Was the laboratory also fitted?

A. The same year in vacation. I spent my entire vacation,—never worked harder in my life than I did during the erection of that building.

Q. Any of the assistants in the laboratory assist in fitting it?

A. I don't know that a man connected with the laboratory raised a hand. I have no recollection of it.

Q. The whole work was done—the building and the fitting up, between June and September?

A. I should say between June and September. It was perhaps commenced a little before commencement; I can't say about that, the bills will show.

Q. But the greater portion was built in vacation?

A. Yes, sir.

Q. Did you find those bills of Luhme & Co.?

A. I have not looked for them.

By Mr. Kelley :

Q. You mentioned voucher 46, for \$1,482.22; is that in this item?

A. That probably embraces items selected from J. F. Luhme & Co.'s various bills that are of the nature of permanent fixtures and selected by the auditing committee.

Q. Is there any such item there as you give?

A. Yes, sir; it is brought out on the margin.

Q. Is there any such voucher reported on your report?

A. Am I permitted to explain the transaction?

Q. Does that appear on your report?

A. If you will give me the bill of Luhme & Co. for that year, I think I can explain it.

Q. You can probably say whether it appears on your report?

A. It appears upon my report; I don't want to be caught in the wrong answer, I would have to go through these bills carefully, it would take a good deal of time, I have no objection to doing it; you will find it in no one item, you will have to go through the whole bills of that year and see what are of the nature of permanent fixtures. If the committee will give me the bills I will try and sift them out.

By Mr. Hayes :

Q. Were those pencil marks in the margin when the statement was handed to the Regents?

A. Yes, sir; the Regents looked them all over and examined the whole thing at the time they allowed it.

Q. I see most of the pencil marks agree with the figures in ink, but not in this case of the \$1,148?

A. You will notice that there are several bills of Luhme & Co., and the permanent fixtures are deducted out of the various bills and amount to that sum; that is the way it was done. There were chemicals purchased of them and various articles of students' supplies, and then there were other articles of a permanent character purchased of them.

Q. Then you base your commission on the pencil marks on the margin?

A. On the margin.

Q. And that \$1,482—you have the bills to make that up?

A. They are in these various bills.

Q. Are there any other items except the \$1,148 included in the \$1,482?

A. Yes, sir.

Q. Here is the receipt for the \$1,148?

A. Yes, sir.

Q. Can you tell whether the whole amount of that bill is included in the \$1,482?

A. Probably not.

Q. I see there is an item of the same firm, of 100 and some odd dollars; that is for chemicals?

A. It might have been.

Q. There is \$131.90; did that come in to make out this \$1,482?

A. It may. I could not tell without seeing the bills. Those were all collected together, and the items selected out and audited. It was adjusted by the committee. There is a bill of \$498.60 of Luhme & Co.

Q. It may be a portion of that for permanent fixtures, sorted out and put in there.

A. No doubt of it whatever.

Q. The only way you can ascertain is by picking out the bills?

A. No other way.

By Mr. Hinchman:

Q. That summer you gave your whole time up to it?

A. Yes, sir.

Q. You were at New York also?

A. I went down to make these purchases. I have generally gone to New York in the month of August to make these purchases; gone down and come immediately back. If I have gone out of the way to Long Branch or Newport, or any other place, I will guarantee the University never paid for it.

Q. Do you remember whether you were gone five weeks that summer or not?

A. No, sir. I don't think I was ever gone five weeks. With reference to that I hope the committee will send for Mr. Carrington, who knows all about all these transactions. He has been there for 20 years, a carpenter and joiner at the University, and knows all about these transactions, and knows the time I have devoted to this work, and how much other parties have devoted to it; and he ought to know how much I have stolen, or something about it at any rate.

By Mr. Mills:

Q. Do you mean he is familiar with these accounts?

A. He is familiar with all this work, and the nature of the services I have performed. He will tell you whether I have made a contract and then went fishing, or went to the sea-shore, or not.

By Mr. Kelley:

Q. Did you not keep books before '67? and if so, state what kind of books you kept.

A. I have already said.

Q. The question is, before '67.

A. I say I have.

Q. Have you got those books now?

A. I have got them. They have not been preserved. The leaves are torn out here and there, and they have been knocking about until they would afford no satisfaction, and give me no basis for answering these questions. This

memorandum book that is presented here will furnish as much information as anything.

Q. Is that a fair specimen of the books you kept before that time?

A. No, sir. I kept memorandum books as I do now. I keep, for example, my expense account on a memorandum book, and then transfer it.

Q. Did you keep any permanent records of your business transactions?

A. Not as complete or as perfect as these. I had no trust funds to embarrass me, and only my own individual matters, and the necessity for nice book-keeping did not exist; and of course they were not kept with the same nicety that I would to-day.

By Mr. McArthur:

Q. When you received any money did you deposit that money separately in your bank account?

A. No, sir.

Q. Put into your pocket-book until you got enough to deposit it?

A. I do not generally carry a great deal of money about my person.

Q. How could you tell how much money you had on hand at any time? How did you know when you wanted to know how much money you had on hand?

A. Of my own, do you refer to?

Q. Yes; you treated it all as your own after it came into your hands for the time being?

A. Yes.

Q. How could you tell how much money you had on hand?

A. I would have to foot these cash books.

Q. What cash account?

A. The cash account on each of these three sets of books.

Q. With the estate?

A. With the estate and my own individual account.

Q. And with the laboratory?

A. Yes, sir.

Q. You would have to go over all those to ascertain how much money you had on hand?

A. This memorandum book will show that at that time I made up my cash and inventory on the first day of every month, but latterly I have done it only once in a year,—cashed up everything, balanced up everything, University matters and all.

Q. For how many years back,—how many years since you ceased to balance once a month?

A. I could not tell you the precise date, probably ten years ago. I used to balance up once a month.

Q. After that, how often?

A. Sometimes it is a year, generally once a year, sometimes twice a year, on the first of January I always do it,—make an inventory of everything. That involves the necessity of going over all these accounts and seeing just what I had.

Q. The first of January you took all the receipts and payments, and then compared it with your cash to see whether it came out right?

A. Yes, sir.

Q. Then if somebody made a mistake, had paid you \$10 or \$20 too little at any time, you would not have discovered it at the time,—not until the end of the year?

A. Not until the end of the year.

Q. If it had been quite a large sum would you?

A. No; I would not be likely to notice it.

Q. And if there had been two mistakes:—If you had paid some money out that you had forgotten to enter, and received some money which you had also forgotten to enter in the proper account, you would not have discovered any error at all, would you, until the end of the year?

A. Not until the end of the year; my attention would not be likely to be attracted, unless I was badly in want of money or something of that kind, until the end of the year.

Q. There is nothing in your cash account which would detect the fact that you had received money and forgotten to enter it where it belonged, provided there had been no entry to balance that.

A. No, sir: that is, during the whole year. I should state that on two occasion, as I cashed up at the end of the year, I found difficulties in making my cash balance satisfactory to me. Those difficulties are shown in my book by temporary pencil entries. Some of them have been solved since this investigation commenced, and others have not been entirely solved.

Q. To get at it at all you would have to go to your private family expenses?

A. Yes, sir.

Q. What you received in the laboratory?

A. Yes, sir.

Q. And the estates?

A. Yes, sir. I usually went to Dr. Rose on or about the first of January and obtained a statement from him of all outstanding stubs.

Q. To find out how your cash did stand you would have to go to those various accounts?

A. Yes, sir.

Q. You didn't do that but once a year?

A. Only once in a year,—it took so much time.

Q. You would not very readily have detected a mistake at the time, even if you had forgotten to enter some of this money you had received from the estate?

Q. No, sir. I know there were some omissions of entries in my books?

Q. The business was very large, and it struck me a cash account entering everything would have been convenient for me [you?]?

A. You are more of a business man than I am.

By Mr. Hayes:

Q. Do you keep your cash account the same now?

A. Yes sir. It is quite different from a person who has other things that are foreign,—foreign to the keeping of books, where his attention is only now and then directed to them,—and a person who is constantly invades [?] upon his books and his mind is upon them.

By Mr. McArthur:

Q. You very seldom look at the books until the end of the year;

A. Very seldom.

Q. Relied on going to that when you received the money to make the entry?

A. Entered them as I received the money. So far as my individual expenses are concerned, I kept them on a memorandum book which I carried in my pocket, and transferred it in bulk.

Q. Did you at the end of the year go into all these things to see whether your cash came out right? or did you not?

A. I did. I was going to say that my individual accounts I kept on a memorandum book. My wife attends to my family expenses; and if she wants any money she draws her check and goes to the bank for it, and when these checks come in I charge them to family expenses. I very rarely buy anything for the family. It simplifies all that part of it, and saves me a great deal of labor.

By Mr. Hayes :

Q. Virtually you did not keep any cash account. This is merely an account with parties you are doing business with to show what belongs to each one? A cash account is generally calculated to be balanced every night.

A. I suppose men who are engaged in the mercantile business of course would balance their accounts every night.

Q. You say at the end of the year your cash account balanced all right, but virtually it was merely entered what money belonged to the laboratory and what belonged to each one's estate, and at the same time you balanced the cash?

A. Yes. Here, for example, this shows what money belonged to the laboratory and what belonged to each of the estates. This cash account is the footing of these packages transferred.

Q. I see the nature of the work, although it would not really be called a cash account.

By Mr. Kelley :

Q. Take the University book and see if the charge for commission, \$288.13, and your report agree.

A. I don't know whether they agree or not; very likely they do not. The auditing committee may have varied the sum. They might have rejected a portion of the commission, for all I know. If they varied it when they were auditing my account they would not agree.

[Question repeated.]

A. I think they did not agree. I think when the account was audited it was changed. This account in the University book has never been footed; never been written up.

Q. Where is the disagreement?

A. I think the item referred to in my account is \$238.15 instead of \$288.13.

Q. They would not be apt to increase it if they were going to change it?

A. They went over the ground and went over [satisfied?] their minds as to what was just and proper.

Q. Did you ever receive any money from any railroad company?

A. I will answer it if it is a proper question.

Q. You can answer the question.

A. I can if you will repeat the question.

Q. Have you received any money from any railroad company as a matter of resource?

A. For what purpose?

Q. In your resources.

A. I don't know that I have received any. I used to have a pass over the road.

Q. Has there not been a check passed through Miller & Webster's bank of \$500 from a railroad company payable to him?

A. I don't know.

Q. Do you recollect of a check for \$5,000 passing through that bank made payable to you by a railroad company?

A. I never had \$5,000 from a railroad company in my life, or \$500 that I can recollect. There might have been a constructive check like the \$2,300 warrant that was charged against me by these gentlemen, which has been explained. I never received any personal consideration from any railroad company,—if that answer covers it; not a penny.

Q. Have you a cash book that you kept separate and distinct and apart from your other books?

A. No, sir.

Q. When you drew any money upon University warrants did you enter it upon your cash book?

A. What for? salary?

Q. For any purpose.

A. My salary went on to my cash book.

Q. If you drew money for any purpose did it go on your cash book?

A. Sometimes it did, and sometimes it did not.

Q. Does your cash book show the money loaned the University?

A. It does not. It shows what I charged the University for interest.

By Mr. McArthur:

Q. I would like to know what you mean by "cash books."

A. I mean cash accounts on these books.

Q. I thought I understood you to say you did not keep a cash book?

A. No, sir.

Mr. Kelley—Cash account, I mean.

Mr. McArthur—All the cash should be entered on it?

A. It is all entered.

Q. Everything from all sources?

A. Yes, sir.

Q. I thought you kept no cash account?

A. I beg your pardon: I do.

Q. I was entirely wrong. You have all the items of receipts from all sources,—salary, warrants, and everything?

A. Yes, sir. Here is a cash account. I don't know whether you understand the manner in which those books are kept. These pages are footed and carried on to the cash account. Here are the outgoes, and here are the incomes.

Q. This book balances, and that one also?

A. Yes, sir,—carried on to that and balanced up every year. I call that a cash account,—a cash book.

By Mr. Kelley:

Q. Does your cash book show the balance due you from the University at the time you make up your several annual statements or reports?

A. No, sir.

Q. When you received money from Dr. Rose did you enter it in your cash account, or cash book?

A. No, sir.

Q. When you received money from commissions or interest, did you enter it upon your cash book, or cash account?

A. I did. It is entered here under the head of income, and would be credited to income account. Just take this and you will see. On the left-hand

page all receipts of that kind would be entered, and it is posted to income account on the ledger.

Q. Did you keep your books in double entry?

A. I don't know whether you call it "double entry" or not.

Q. You know what we mean by "double entry?"

A. I am not enough of a book keeper to say that correctly.

Q. Did you have an account of "profit and loss?"

A. No, sir. An income account I suppose would cover it.

Q. What entries did you make of any losses that you had sustained?

A. I generally charged them to expense account.

Q. Take the University book and turn to the year 1875, and state what the \$625 was for' and by what authority you so charged it.

A. I know what it refers to, I think.

Q. State what it was for.

A. I have already said that during the progress of this investigation until a late period in it, I uniformly acknowledge my indebtedness or liability to all parties concerned, for the stub money. When in the examination of those accounts you came to an account where there was a stub deposit, I said to Dr. Angell, and said to Mr. Knight, and to all who were present at those examinations, as I uniformly said to that committee or to those gentlemen, "There is \$10 from me; I have got that to pay;" and we went through in that way. I never called in question my liability for the deposit. It had been paid there without my being in possession of it, but my conscience told me without my knowledge or consent. After we had completed a portion of the examination, gone as far as we thought proper,—don't know how far I am sure, but we had gone along some distance,—I made up my mind, I gathered up all those items of stub money and credited them in this book,—\$625 to the University.

Q. Then I understand you to say that that item is made up of stub deposits?

A. It is made up of stub money. Afterwards, at a later period, and before I made up my final account, my attention was called by Mr. Climie first, also by Mr. Tregaskis, to the fact that a large number of these stubs were not genuine,—the signature was not genuine. I examined that question, looked it over, submitted them to some experts, took the advice of those I supposed to be my friends, and told them what I had done upon this book. They said to me that is premature; "the best way to do is to let the committee settle that stub money; whatever they say you ought to pay, pay;" and in making up my report it remained in just that condition.

Q. You charged it back to the University?

A. Yes, sir; or rather there was no charge in the account as it stands. I charged it back in this way: I had spent my entire vacation and a good deal more time in the supervision of the building of the water works. About \$7,000 had been expended, and I had the entire charge of that,—the outdoor work and everything; made the plans and executed them; and I thought myself that under all the circumstances I should be paid for the service beyond what was performed in vacation, and in the book which I have here I simply balanced up this \$625 for my services for the erection of the water works; but it all lies in one set of conditions. I also said to all these committees that I was prepared to do whatever they should say was right and proper with reference to that stub money,—do it at any time.

Q. You had previously credited the University with \$625 stub money, and afterwards you concluded you ought not to pay that, and balanced it up in that way?

A. I balanced it up in that way, and left the whole thing for the Board to settle as they would think was right and equitable.

Q. While you have that book, turn to the year 1870 and state whether the credit entry you find of \$731 was raised by several hundred dollars. Has it been changed?

A. No, sir; I don't know as it has.

Q. What is the entry?

A. It refers to the vouchers that were surrendered at that time, I suppose. The entry was a wrong one and was corrected.

Q. Do you know when the correction was made?

A. No, sir.

Q. Have you any recollection of making it yourself?

A. No, sir. It corresponds with the vouchers, I have no doubt. Whether it was raised or reduced I cannot tell. It will correspond, I suppose, with the certificates which were certainly entered.

Q. The vouchers?

A. Yes, sir.

Q. Do you know anything about that item being changed?

A. I suppose it was the footing of that column. I suppose I made a mistake in the footing. It is the footing from here up.

By Mr. Hinchman:

Q. Is that bill included in one of these Luhme & Co.'s bill that made up that \$288?

A. No, sir; I guess not.

Q. How is that one?

A. No one bill would show it all.

Q. There is a bill of April, 1869, that you include definitely in your statement?

A. This is the general statement of account?

Q. But that bill of 1869 you have marked here as being included in that \$2,100 of Luhme & Co.'s bills. That bill of \$669.25 is marked as being included,—the item of \$1,400 and then this \$669?

A. Is this the bill for that?

Q. I can't find the \$600 one.

A. That seems to be included.

Q. The \$669 bill?

A. Yes, sir.

Q. You stated that you would settle the matter with some Regent?

A. Yes, sir.

Q. Which one of the Regents?

A. Regent Gilbert went over the whole ground fairly and squarely.

Q. Any other Regent?

A. I am under the impression,—I can't recollect,—sometimes there were two persons, sometimes one,—usually only a single person, and he would report to the board. The proceedings of the board will show whether that account has been altered or not, and allowed. I don't know that any account that I ever presented to the board was allowed without its being examined in all its details,—never to my knowledge, I have always insisted upon it.

By Mr. Kelley:

Q. Will you state whether these two vouchers for \$50 are intended to cover that \$100 item of the year '68-9?

A. The circumstances connected with this item are these: In the year '68-9, or somewhere in '68 I think it is, Dr. Rose became discontented as to his salary and desired an advance; talked with me and talked with Dr. Prescott. I also talked with Dr. Prescott. The Regents were not then in session, had adjourned, and I was as desirous of having Dr. Rose's wishes complied with; and after some conversation all around, in which different parties participated, I said to Dr. Rose if he would remain, that I would pay him an extra \$100 out of the laboratory funds, subject to the approval of the Board of Regents; I would do what I could to have them approve of the payment, recommend it and urge it upon the board,—the justice of it; upon that he consented to remain, and I paid him the \$100. It is the last item of entry in the year 1868-9. I submitted the matter to the Board of Regents, they approved of the payment of \$100, and the understanding with Dr. Rose was, when I paid it during the year, as I seem to have paid it during the year, if they did not approve of it that was the end of it; and the \$100 has been approved of in that account.

Now, if you will examine my different reports, you will find that these two \$50 vouchers of Dr. Rose do not appear in any report unless they apply to that \$100. In August, '67, \$50 was paid to Dr. Rose. April, '68, there was \$50, which appears in my report and voucher there; October, '67, there was another \$50, and January, '68, there was another \$50. The vouchers for three of those items are in the packages. The vouchers for the fourth, as is shown by the check, has been there, but has been misplaced or lost in this muddle that has existed, and hence is not there; but it was paid in 1867. Neither of these vouchers can apply to that; for, first, the reason that it is not approved on the back; but that is a trifling reason; but the strongest reason is that it bears date a year after the voucher that was lost bears date,—the next year, nearly a year's difference in the dates of the two. The date of these two is June 25, '67, and July 24, 68. The date of the lost voucher was August, '67, and hence I assume, and I think with justice claim, that these two vouchers should apply to the \$100, if they are not charged in any account. The University owes me the \$100. That is the interpretation I give to it with the light I have,—the best light I can get.

These vouchers were held in the bank, undoubtedly, until I submitted my final report and it was approved by the Board of Regents. In some way they got out of their package. They are found in a package where they do not belong, and where they are not called for. I say most positively and unequivocally that the \$100 has been paid to Dr. Rose. If this is not evident, then I wish to introduce further evidence in reference to it.

Q. Can you explain why you accounted in '68-9 for a voucher that should have gone in '67?

A. I have no recollection of anything about it.

Q. The missing voucher would probably come in the report of '67,—should it not?

A. The one I speak of now as missing should be dated '67, I think,—this voucher number 23, August, '67.

Q. Have you examined the voucher for that year to ascertain whether there is not a voucher corresponding to that amount reported in that year and of that day?

A. I examined it this morning, and thought I was correct in my statement.

Q. I asked you if you had examined it.

A. I examined it this morning. This is a memorandum I took off from the

reports, unless I made a mistake. Of course it is all before the committee, and they can satisfy themselves on that point.

Q. When and where did you have this conversation that you relate, which took place between you and Rose?

A. I had several conversations with Dr. Rose.

Q. I am speaking now about this particular one about his being dissatisfied with his salary.

A. I cannot recall very distinctly. Of course it was a long time ago, all that took place; but I have a faint recollection that Dr. Rose was going to Indiana, —to some point in Indiana, to engage in the drug trade; talked of doing so, I think. During that summer vacation I was at Niles, and my impression is that he called at Niles to see me. I would not say positively that he did, but I know I had some correspondence with Dr. Prescott. Dr. Prescott will recollect all about it, I think; and if you will send for him with reference to it, he will give his testimony with reference to that.

Q. You have no distinct recollection as to the particular place where it occurred?

A. ———.

Q. Do you now say that this \$100 paid to Rose to get him to remain was paid to him in two payments?

A. I believe those two vouchers are intended to cover that \$100. That is the light which I have upon it now. I don't see how I can come to any other conclusion.

Q. Do you recollect what month the conversation took place between yourself and Rose with reference to his leaving?

A. I think it was during vacation.

Q. July, or August, or September?

A. I could not say. It might have been immediately before commencement for ought I know, or soon after commencement.

Q. Did you not testify in June last that you paid Rose \$100 at Niles?

A. I don't think I did. If I did I was laboring under a mistake in reference to it. May have been a mistake in taking down the testimony. I have no recollection of having paid him anything at Niles.

Q. Did you testify in June last that you met Dr. Rose at Niles, and by paying him the \$100 induced him to stay?

A. I cannot recollect any such testimony as that. I say what I say now, — that I have a vague recollection that he called at Niles to see me about it, but I have no recollection of paying him any \$100 at that time. I may have done so, and I may not. I have no recollection of giving any such testimony. It is a long time ago.

Q. Is there any further statement that you desire to make?

A. I would dispose of that other question about these other vouchers. It will take but a few moments.

I submit here a statement covering the disbursements on the "assistant warrant fund," as it is called. I have here a receipt of William B. Rising, June 1, '66, \$83.33; another, April 1, '67, \$83.33; another, June 25, '67, \$83.33. Here is a receipt of A. E. Foote, March 31, '68, \$83.33; A. E. Foote, June 1, '68, \$83.33; A. E. Foote, April 29, \$83.33; Mr. Weeks, \$34.20, July 2, '68. April 1, '67, P. B. Rose, \$52.17; January 3, '67, P. B. Rose, \$124; January 24, '78, P. B. Rose, \$75; October 1, '67, P. B. Rose, \$75; July 1, '67, P. B. Rose, \$109.17; April 1, '68, P. B. Rose, \$75; January 1, '68, P. B. Rose, \$75.

The amount transferred to the general laboratory account in July, '68, was \$412.50. Those vouchers and the \$412.50 foot up \$1,532.02. These are balanced by four warrants on the treasury of \$425 in 1867; in '68 four warrants amounting to \$550; in '69 four warrants amounting to \$550; making \$1,525, leaving a balance in my favor of \$8.02.

I have here a statement of the assistant account which shows as follows: Names of assistants in '66-7, A. L. Dolbear paid \$95 out of the laboratory funds; W. B. Rising, paid \$83 by warrant drawn from the treasury; W. B. Rising again paid \$83.33, three payments of which the vouchers are there, out of the warrant fund; P. B. Rose was paid by warrant drawn in his favor \$125, \$52.17 out of this fund, and \$109.17, which, with the warrant, makes up the \$500 of his salary; in '67-8 P. B. Rose was paid out of the laboratory fund \$50, voucher 23; voucher 98, \$50; voucher 89, \$50; voucher 92, \$50. He was paid out of the laboratory, as per those vouchers, four payments of \$75 each. He was paid the \$100, two vouchers of \$50 each, making his salary in that year \$600. E. J. Weeks was paid in that year,—voucher 68,—\$40 out of the laboratory funds; voucher 83, \$40; voucher 99, \$40. In 68-9 P. B. Rose, paid \$75 out of the laboratory, voucher 17; voucher 68, \$75; voucher 98, \$75; voucher 112, \$75, added to the four warrants, makes the salary in that year \$800. Weeks was paid \$200 that year, as per vouchers found in the files, out of the laboratory fund. This, with the other report that is already in your hands, covers the entire laboratory fund, and \$8.02 in addition,—all the assistant warrant fund. It is carried over on another page I see. H. S. Jewett, \$150 out of the laboratory, one payment; another payment of \$50, another payment of \$96; A. E. Foote, three payments of \$83.33, paid out of the laboratory fund; Weeks, \$34.20, paid out of the laboratory fund: balance \$412, carried to the credit of the laboratory account, which closes up the assistant account. The other report is in the hands of the committee. If they have not examined it I will call their attention to it.

Q. Where did you get these vouchers from?

A. I found them in my case at home. They have undoubtedly been submitted to the Board and returned to me.

Q. All except two?

A. All except two; the two were found here.

Q. The others you found at home?

A. Yes, sir.

Q. At your house?

A. At my house.

Q. Did you find any other papers there appertaining to the laboratory department?

A. I brought all that we found. There was an original wrapper around those.

Q. Was there anything on the wrapper?

A. Only the indorsement that these refer to assistant warrants, made a good while ago when my handwriting was different from what it is now.

Q. When was this statement of assistant warrant account which you now present made out, and by whom?

A. It was made out by myself a few days ago. It is not a statement that has ever been submitted to the Board.

Q. Where have the vouchers for the assistant account been kept since they were taken?

A. I found them in my pigeon-hole desk-case where I keep papers of that kind. I have a large desk and a great many papers filled full. When it gets overburdened I carry them up to the attic. I found them on the evening of my return from Lansing the last time, and made out the statement of account before coming to Lansing.

Q. Has this assistant account and the items of which it is composed ever been presented or allowed by the Regents? And if so, when?

A. I do not know whether it has been presented or not; I presume it has, though.

Q. Have the items which make up this account been allowed?

A. I don't know, sir. I have no record of them.

By Mr. Hinchman:

Q. Are those items entirely separate from your annual statement?

A. Yes, sir; that is, I know of no connection.

Q. Are none of those items that you have set forth in this assistant account included in your annual statement?

A. Not that I am aware of, sir. If you refer to these vouchers that I now submit in the warrant fund, I don't know that they are included in the report. I think I would have been called upon to supply them long ago if they had been included.

Q. Are the receipts which you have presented here in connection with this statement, exclusive of the receipts for money that you have paid out, drawn from the warrant fund?

A. I suppose it is so; so endorsed on the wrapper, which I am sorry you have lost. I have no reason to believe that it can be otherwise.

By Mr. Taylor:

Q. On stub 34 did you write your name?

A. I guess I did.

Q. Why did you write your full name, and not on these other stubs?

A. It is 10 years ago, and I do not know why.

Q. Why do we find that name written in full, or a date or something corresponding to it, all the way through about once in so often?

A. I don't know. I think that is my signature, without any question.

Q. Did you write these two signatures "S. H. D." on stubs 40 and 41, 1867?

A. There are a great many of these that I am as much at sea in reference to as any of you. That I would say, beyond all question, is my signature.

Q. Is there not as much difference between this *D* and this one, and this one, as there is between this one and the one on 44, which you claim is not yours? Don't you see a variation all through?

A. Undoubtedly there is more or less variation.

Q. Did you not write that signature there?

A. I don't believe I did; I cannot say that I did not.

Q. Once more: I want to know how you could write that signature which you claim to be genuine, without noticing this one which you claim was a forgery, and [not?] detected it at the time.

A. I don't know, I am sure.

By Mr. McArthur:

Q. I want to ask a little more about these cash accounts. These are not real cash accounts: these are summaries at the end of the year of the various accounts?

A. The cash account on the ledger is the footings of these.

Q. Were those entered daily?

A. My transactions were not daily.

Q. I understood you to say that you would go through your various accounts, made up your cash account, footed it, and compared it only about once in a year?

A. Yes, sir. The footings you will notice are transferred to the cash; the footings of the journal are carried on to the cash account in the ledger.

Q. Why could you not any day have found out how your cash account stood from that?

A. I could.

Q. Any day while you were doing business?

A. Certainly; footing those two columns and taking the difference shows just what I had any day.

Q. Do you say these items in the journal were made as they occurred?

A. Yes, sir. I did not always enter them right along. The expense account I entered in the memorandum book.

By Mr. McArthur:

Q. You would not call that book a "cash book" as long as there was one account of cash that you did not keep in there,—the laboratory cash?

A. This is my individual cash. That is all it purports to be.

Q. That that comes from the estates, too?

A. There are some special estate accounts on here, you will notice that.

Q. On the ledger and not on the journal?

A. They are on both. There is one guardian account, for example.

There is one point that I desire to call the attention of the committee to at some time, as to the price of chemicals charged students, which has been under discussion here.

Mr. Taylor.—Proceed.

Witness.—I have here a card that has been for a long time in the laboratory (which students have access to), which gives the prices charged to students, and is cut from Rohrbeck & Goebeler's catalogue. It is in accordance with the rule of the Regents as to prices, etc. I desire to state with reference to these re-agents, that the standard re-agents are mostly prepared in the laboratory. Some articles are made there. Sulphide of ammonia is made in the laboratory, and all the solutions of certain standard strength are prepared from the pure chemicals that are purchased. We charge, however, the prices of Rohrbeck & Goebeler.

By Mr. Hinchman:

Q. Can you figure the exact cost of them?

A. No, sir; I could not. The profit of the laboratory is undoubtedly largely in these re-agents.

Q. What percentage of profit is charged on them?

A. I don't know. They are retailed of course. Sulphuric acid costs about 30 cents a pound at the present, but pure sulphuric acid I think we charge five cents an ounce for it.

Q. Is that diluted, or is it delivered pure to the students?

A. It is brought to the standard strength,—diluted somewhat, not very much. Some articles are diluted and others are not. Sulphuric acid we usually calculate to keep pretty well up to the standard. On apparatus the margin

is much smaller. Whatever it is, no person has received any benefit from it: It all goes into the laboratory, and of course there is a large wastage; there must be a large wastage; every one must know that. I have before me the catalogue of Benjamin, recently issued with reference to the price, where, in many cases, the chemically pure article is given,—the article we have to use mostly,—and the commercial article also. I was going to show the difference between the price of chemically pure and commercially pure.

By Mr. Hinchman:

Q. That is of no account; but if you can give us the prices that you paid for things and the precise amount you charged students for them, that will be of value to us. You have testified that you had nothing to do with the common articles, and therefore that is not in question at all.

A. Give me one of the ledgers, if you please. The question has arisen here also about gold prices. I have here an old catalogue of Luhme & Co., upon the top of which is marked from 40 to 60 per cent at present.

Mr. Newcomb—The doctor's statement is very clear before us that he bought all those articles at net. I don't think there is any question about it. I think the committee understand the question of chemicals.

Witness—I desire to call the attention of the committee also to the fact that many of these bills state that the prices are in gold on the catalogue. That was only when the premium was very high. There is a letter in there so stating. Recently, of course, that is not the case, since the premium on gold is reduced. The prices that I usually paid are in currency, now and then in gold; and it is stated on the bill when it is in gold.

By Mr. McArthur:

Q. Wherever you paid gold the bill so states it?

A. With reference to the prices paid, if the committee have not all read the correspondence, or enough of it to satisfy themselves upon that point, whether I obtained goods as low as I could, I hope they may examine the correspondence that is here.

By Mr. Hinchman:

Q. Would you not think it better to compare the prices with purchases made by other persons?

A. If you compare the prices on imported articles I have not the slightest objection; if you compare the prices on Merck's chemicals have not the slightest objection; but if you compare them with Powers & Weightman, who have probably the best reputation in the country, I should object.

Q. How is it about such articles as white wax and gum arabic?

A. They are drugs. They are not a drop in the bucket.

Q. Still, they are some guide?

A. Most of these are purchased in Ann Arbor and bought in small quantities, at retail. I may sometimes have paid too high, perhaps. You will notice there is one bill of \$600 or \$700 of Powers & Weightman. Powers & Weightman told me, when I purchased, that they did not manufacture pure chemicals; they said they were pretty pure, and gave me some encouragement that they would prove satisfactory. That bill was a failure. A very small portion of it could be used in the laboratory as chemicals. We used it in the pharmacy room and got rid of it, but as far as its use in the chemical department was concerned it was valueless.

Q. Do you think they are reliable in their statements?

A. I suppose they are so far as the drug trade is concerned. You know what Charles T. White's reputation is. He commenced several years ago manufacturing pure chemicals, and was obliged to abandon it; does not make them now. He makes the best articles that are found in the drug stores, but they are not sufficiently pure for chemical work.

Q. If I could produce a letter from Powers & Weightman saying that they are chemically pure articles, as good as the foreign with the exception of one article (caustic potash), would you think that was correct?

A. I should say it did not agree with their statement to me. They stated to me positively when I talked to them: "If you are talking about chemically pure articles, we do not deal in them; we will go to another house in Philadelphia and fill your order." That is what they stated to me.

Q. You know they have quite a number of articles on the list marked "chemically pure?"

A. I know they call them chemically pure; yet, when you ask them if they are chemically pure for such purposes, they will reply No. At least they so replied to me, and if there is any doubt about it I desire that Mr. Johnson and Dr. Prescott, and other men connected with the laboratory, should be called, and their testimony taken, to show that the articles which they sold as the best articles they manufactured were not satisfactory. • I desire to call the attention of this committee to the fact that the prices charged in this ledger are the prices on that list.

Q. What do you estimate the percentage of profit at?

A. I don't know, I am sure. It is pretty large, undoubtedly.

Q. Do you think it is as much as 300 per cent?

A. I don't know about that, I am sure.

Q. I mean the average profit.

A. The profit is large on the chemicals, but small on the other ware. Take Berlin porcelain; I don't suppose we get the first cost of that.

ANDREW CLIMIE RECALLED.—FEB. 23.

By Mr. Taylor:

Q. Have you the questions answered which we gave you in writing?

A. I have some of them answered.

Q. In making up the amounts of deficit as found by you, what is the total of credits in Dr. Douglas' annual accounts rendered which you struck out and disallowed?

A. I made up a statement here, \$588.13; \$200 commission, \$288.13 commission, \$100 paid to Rose, no voucher; interest accounts \$880.41, and a correction of an error, \$17.82; making the total \$1,486.36.

By Mr. Hinchman:

Q. Did you report that to the Regents?

A. I did make the report, striking out the amounts in my report that I made on the 28th of March.

Q. How did the Regents treat it?

A. It was referred to the finance committee.

Q. Has that committee taken any action upon it?

A. I don't understand that they have made a report taking up the report of March 28, and completing it.

Q. Why do you throw out the commissions?

A. I throw them out for two reasons; one that I could not find any authority in the proceedings of the Board of Regents allowing the commission of \$200, and the other of \$288.13 I found no authority for in my investigation.

Q. Do you make it that was an error?

A. Yes, sir.

Q. What did you find it charged upon?

A. I found it was charged upon \$5,762; and included in that were two bills from J. F. Luhme & Co.

Q. What were those bills?

A. In my looking over the bills I determined that they were for chemicals and apparatus for temporary use in the laboratory, to a great extent.

Q. Such as are bought every year?

A. Yes, sir.

Q. To what extent?

A. The largest part of the \$1,148 and the \$669.25, from my investigations I determined to be for the chemicals and apparatus that were used,—supplies to students.

Q. How much for the permanent fixtures on those bills?

A. I have not been able to find one of them, the bill of \$669.25; and I could not answer that question exactly,—the estimate I made at the time when I threw out the \$288.13. A part of the commission there is charged upon books that were purchased for the laboratory, and I did not think it was proper to charge a percentage here upon building percentage.

Q. Did Douglas report any moneys received from students where there were no vouchers? If so, name them.

A. I have not been able to look up that matter sufficiently to answer that question. It would involve looking through the whole books, which I have not had the time to do.

Q. If this credit of \$104 was applied on the account of Bennett and Tibbett's which are accounted for by Dr. Douglas in his report for next year, is eliminated, would there be any deficit in '64-5? And if so, how much, and consisting of what items?

A. I looked that matter over, and determined that if it took that course there would be a small deficit, I think, of \$13; but I did not determine [what] it could be upon.

Q. What application did you make of the credit of \$104 in making your report?

A. It was applied, because it was part of the ledger account as I understood it at that time. In investigating the matter since then, I have determined that the \$104.25 was credited on the ledger as charged against the students.

Q. Then you did not allow the credit of \$104.25 at all,—did you?

A. I think we allowed the credit in items,—in the items that he gave.

Q. Give us the figures, the items of commission charged to Dr. Douglas on special reports,—laboratory report,—and state if any amounts are charged in both accounts?

A. I find \$2,021.13 charged as commissions, but I do not find where there are any of them charged on such accounts and upon the annual reports both.

Q. In your examination of the account, you say you found no voucher for \$100 paid Rose in Dr. Douglas' account after '68-9 (the last item in that ac-

count). To what debits in any of Dr. Douglas' accounts did you apply the two vouchers of \$50 each paid to Rose, dated June 25 and July 24, '68?

A. I could not say. We could not find the voucher in the vouchers for '68-9 for that amount, and I found that Dr. Rose was to be paid \$300 from the laboratory, and found his vouchers to cover that amount, so that my investigation showed it to me to be an error.

Q. Do you know anything about these vouchers of \$50 each?

A. I do not. I examined the vouchers carefully.

Q. Were those vouchers in the package of that year when you examined the account?

A. I think they were not. It was the disbursement vouchers of each year, all through the years that we examined; and where there was any discrepancy I called Dr. Douglas' attention to it. I called his attention to this \$100; was unable to find vouchers for the disbursement of that \$100 paid to Dr. Rose during my examination.

By Mr. Kelley:

Q. Did you find vouchers in that year for all the charges against Dr. Rose except the \$100?

A. I did. I found vouchers for \$300 in that year.

Q. Were those two taken into account to make up the \$300?

A. In handling over all the disbursement vouchers, I could not remember the particular circumstances except in regard to that year. I called Dr. Douglas' attention to it one day, and we examined the matter, and they could not be found at that time.

Q. Did you number the voucher for that year?

A. I did not. We checked them over.

Q. Were they numbered?

A. I think they were numbered in all the years.

Q. Did you find any vouchers for that year that were not charged upon his annual report?

A. I could not say whether it was that year or some other year. There was a voucher, I think, by a mechanical firm or carpenter of a small amount that I was unable to find during my examination.

By Mr. Taylor:

Q. What did Dr. Douglas tell you this \$100 was for when you called his attention to it?

A. He did not seem to understand it, but said he thought he must have paid it to Dr. Rose. I told him there was no voucher for the disbursement of it, and I understood from the records of the Board of Regents that Dr. Rose was to have \$300 from the laboratory. We found the payments charged up during that year for the \$300 without that \$100, and I thought it must be an error. He did not make any explanation satisfactory to me.

By Mr. Hinchman:

Q. Did you make any investigation of those warrants that were paid to Dr. Douglas for the pay of assistants?

A. No, sir; I did not. We did not have time to look over that matter.

A. J. SAWYER SWORN—FEB. 23.

Witness—Mr. Walker in his testimony made certain statements on communications that he had had with me as Mr. Rose's attorney. I have all the communications that I ever had with Mr. Walker upon the subject of the commencement of a suit prior to the June meeting. I think up to that time I never spoke to him about the matter except by letter. The first letter bears date December 24, 1875, and was from Mr. Walker to me. It is as follows:

"A. J. Sawyer, Esq., Ann Arbor, Mich.: Dear Sir,—I write in regard to the suit *vs.* Rose. It seems to me that the easiest way to test the matter in controversy is for the University to undertake to foreclose this security to it. Of course we cannot do so without a stipulation waiving the year's time which is given him to pay the deficiency. Will you give such a stipulation? or what do you propose? Yours truly, E. C. Walker, chairman of the executive committee."

On the 27th I replied to Mr. Walker as follows:

"Hon. E. C. Walker, Detroit Michigan.: Dear Sir,—Yours of the 24th, in regard to the Rose matter, at hand. I have not yet seen Mr. Rose. It seems to me that there are questions involved in this controversy eminently proper for a jury, and to commence in chancery as you suggest, might lead us into greater costs, and surely more delay. The Board of Regents cannot desire to take any undue advantage of Mr. Rose, nor place him in a position in which he would be debarred of a single element of defense; and I feel that they would not do so unless driven to it by dire necessity. If the case must come into a court of chancery, my present opinion is that Rose had better file a bill himself."

I would say to those who are not members of the profession, that my idea was, and what I should have done if no other arrangement had been made, to have planted a bill against the Regents, including Mr. Knight, for a re-conveyance of this property—the house and lot. That is what I meant and indicated by what I said in that letter.

The next communication I had from Mr. Walker was December 29, '75, which is as follows:

"Dear Sir,—Yours of yesterday received. You say you have not consulted your client. Please do so and let me know as soon as possible just what you are willing to do about bringing the litigation to a prompt and speedy conclusion,—a result, it seems to me, as important to Dr. Rose as to the University. Yours truly, E. C. Walker."

To that I replied on January 5th, '76, as follows:

"Hon. E. C. Walker, Detroit, Mich.: Dear Sir,—Yours of the 29th reached me in season. You must pardon the delay in answering. My family have been dangerously ill and still very low, which, connected with the fact that the last term of court closed December 31 and this term commenced Jan'y 4th, has kept me from giving the time to the matter of Dr. Rose that he desired and the subject demands. I think there can be no objection to the University planting a suit at law *vs.* Rose for the amount of money claimed to be in his hands, belonging to the University. Are you of the opinion that a stipulation from Rose is necessary in such a case? I have not the contract before me, but I had always supposed that the time granted in that contract only referred to the application of the property transferred to the Regents,—to the payment of any balance that might be found in his hands, and not to the right of the University to obtain the suit at law at any time to ascertain the amount of such balance.

Am I wrong? If so, we will give you such a stipulation that shall give the University that right now."

January 13, I received this communication, which was the last communication I ever received from Walker, and the last that ever passed between him and me in relation to the commencement of the suit until after the giving of the new bonds. Mr. Walker is mistaken about his having any other letters from me, I think. I don't think it is possible, for I kept them very closely. Of course I may be mistaken about it.

"A. J. Sawyer, Esq. : Dear Sir,—The Executive Committee have employed Gov. Felch to commence suit *vs.* Dr. Rose. We advised him to ask for stipulation, though I agree with you that its necessity is very doubtful. I trust the matter may be put in train at once. Yours, very truly, E. C. Walker."

You will see by the letter that it needed no reply, and I gave him none. That is all the communication I had with Mr. Walker, in writing, in relation to these matters. I have no recollection of ever refusing Mr. Walker to arbitrate this matter, of his ever asking me to arbitrate it in the world. I don't think such a thing ever occurred between us, either by letter or otherwise. I will state, however, that soon after receiving this notification, Gov. Felch was employed in the case. The Governor did call upon me at my office, and in the course of the conversation he asked me whether I thought it would be advisable to arbitrate this difficulty. My reply, as near as I can remember it, was about as follows: Mr. Rose's case is eminently a case for a jury; I would like to see it tried by a jury. I did not, as I recollect, either say I would or would not arbitrate it; nor did he ask me the question whether I would or not. My desire was that it should be put before a jury for trial, inasmuch as the claim was made of forgery, I thought that was the proper place to try it.

When we were notified that the committee were going to meet, and had made certain arrangements, and made a programme which they intended to follow out,—the June committee,—I became satisfied myself, as Dr. Rose's attorney, that it was not proper for Mr. Rose to go before that committee, there were certain things that I knew about it, that I thought it was better for him that he should not go there, so I wrote to Mr. Estabrook, Mr. Grant, and Mr. McGowan a letter, in each of which I enclosed certain questions that they might ask of Mr. Tregaskis. I supposed I had them here. I find that I have the one that I wrote to Mr. Estabrook, in which I give him a copy of the letter that I had received from Mr. McGowan, and then closed the letter as follows: "This letter, I think, needs no explanation; the time is now short for the matter in hand; therefore, if you have no objections to the questions" (I enclosed him the questions), "and it would not be inconsistent, I would most respectfully ask you to forward a copy to Mr. Tregaskis, requesting him to answer the same; most respectfully," &c.

The reply that I got from each of these men was, that the questions would be embodied with certain other questions—not from each of them but from some of them—which Dr. Douglas desired to have asked; and Mr. Tregaskis would be asked the questions; but if he ever was, he never answered them. I have not got the letter.

Mr. McGowan called upon me at the office, and in his testimony in Ann Arbor, given before this committee, he stated that he supposed from the conversation I had with him that we intended to appear before the committee. After giving that testimony, I asked if I might call his attention to a few things, and he consented, and I then conversed with him; and I repeated to him as near as

I could the conversation that he and I had at the time I called upon him, to which he gave his assent; said that I had repeated it correctly, but that he did not at the time so construe it. In the conversation that I had with him at that time I intended to convey to him very clearly, as near as I could to a gentleman of what I supposed his cloth to be, and as I really believe he is (for I think he is a man of a good deal of competence), I endeavored to convey to him the idea that I thought it was entirely unsafe for Dr. Rose to go before the committee. I did not convey to him the idea that I thought he was a scoundrel, but I did convey to him the idea that my advice to my client as a lawyer was that he should not go before that committee. Mr. McGowan misunderstood. I know I did not give it to him in quite as broad language as I would to some, for I thought he was competent to take it at arm's-length. He has given such conversations to me at arm's-length, and required of me to understand him at that distance, and I supposed he would understand me at that distance.

In relation to the June meeting, when the report of this committee,—the bond that you have attached to your bill in chancery, if you have it present,—at the time of the filing of this bond with the Regents, which was at the close, if I remember it correctly, of their making their report,—and if I remember correctly, in opening the session of the board,—it was given to them with the understanding, so far as I was concerned,—and I think so far as all parties were concerned at that time, however much they may have forgotten it during the excitement,—that they were to come into court the next day after filing the bond, and join us in an amicable suit, and present the question to the then pending circuit court for the county of Washtenaw. It was drawn, if you will take pains to read it, as you will see, with that view. It was drawn also with the view that so far as I was concerned, my intention in drawing it was to preclude all idea of their having any right to recover against Mr. Rose or either of those parties in chancery. You notice “the condition of this obligation is such that if the said Preston B. Rose shall fail to pay to said the Regents of the University of Michigan, all sums of money for the payments of which he may be found legally liable to said Regents by the final judgment of any court of competent jurisdiction.” I did not see Walker; and the reason I not see him was, I did not propose to have the matter placed in chancery when they had got sick of the position where they had placed themselves. They seemed to be willing at that time to present this question to a jury. The resolution was not drawn in my presence; and this bond was what I could pin it on, drew it with a view that there should be no chancery about it.

They accepted this bond. The next day I went into court to complete the bond, and handed it to Mr. Walker, and Mr. Felch, who was then acting as counsel for the Board. They looked it over and were satisfied that the bond was correctly drawn according to the understanding. I then asked them if they would meet me in the morning. They had not deeded back his property; had not given us back our deeds yet. Mr. Walker said yes, and I bade them good evening and went away. The next morning Mr. Walker came into court (the court was in session),—I think it was the next morning,—and he handed me the deed, deeding back to Mr. Rose the property. I said, “Mr. Walker, we will step right forward now to the desk and ask the attention of the court (I may not get the exact language, but that is the idea), and enter our suit here now by consent in open court. Mr. Walker turned to me and says, “We have placed that matter entirely in the hands of our attorney, Mr. Felch,” and turned to go away. I stopped him and asked him if Mr. Felch would come in and com-

mence the suit as per agreement; and he made me a very curt, sharp answer that "it did not remain with me," which sprung me a little at the time. I thought it was a little sharp, for the circumstances, and he left me. My recollection is that I waited for them to come in until the next day at noon, and they did not come near me, and I made up my mind it was my duty to my client to bring them in, and I consequently took occasion, I think next day (I may be mistaken as to the day), to commence suit against the Regents in favor Mr. Rose to recover of the Regents the balance of his salary of some \$300, and this money that was paid over to Mr. Douglas, in the manner in which it has been paid.

Q. Whether the McGowan committee's report correctly states your proposition to the committee of what transpired in respect to them?

A. I hardly think it does. I would not undertake to say now.

Q. Look it over at your leisure, and state where you see it does not.

A. I think the correct statement of the proceeding I have here, if it is of any consequence to you.

Q. We don't care anything about that: if you will look over the June committee report, and see if you see anything wrong about it?

A. I know one thing is wrong about it, and that is the resolution passed there at that time in relation to the commencement—if you will give me that report I will turn to it. I notice that as not being in accordance with my understanding with what the arrangement was.

Q. If you will look this over at your leisure?

A. Very well.

SAMUEL F. COOK SWORN—FEB. 24.

By Mr. Taylor:

Q. Where do you reside?

A. Lansing.

Q. Were you ever connected with the University of Michigan?

A. Yes, sir.

Q. In what capacity?

A. As student from the summer of '65 to the summer of '69.

Q. Any other position?

A. I was in the employ of the Steward at different times, ranging from a day or two to a few weeks, commencing first in the latter part of '66 and continuing until December, 1870.

Q. While you were in the employ of the Steward did you have any conversation with Regent Gilbert?

A. I did.

Q. State that conversation.

A. We were looking over the vouchers at the Steward's office one day (those vouchers are always arranged for the examination of the chairman of the finance committee), and I took occasion to suggest, in the form of a question, whether it would not be a proper method to have the accounts of the laboratory arranged in the same manner and under the same examination?

Q. Well, what was said.

A. Mr. Gilbert replied to me, I think, in these words: "You had better mind your own damn business."

Q. Who was in charge of the Secretary's office at the time you were there?

A. Mr. Burleson. I cannot give the date when he left. I commenced working under him and under Mr. Bennett finally.

Q. Did Burleson turn over all the books and papers belonging to the laboratory that were then in the secretary's office when Bennett came in?

A. I never saw any laboratory books there,—only reports and packages of vouchers received from Dr. Douglas in the office. How many I do not know. I never saw any books of the laboratory.

Q. How large an amount of books should you judge there were in the hands of the secretary of the University,—of Secretary Burleson when he left?

A. Books of all kinds have you reference to?

Q. Yes.

A. I don't think I would be able to form an estimate at all.

Q. Where did he generally keep them?

A. Those that were not on the desk at the time, we kept in a closet off from the room we occupied at that time. It is proper to say that the office of the secretary was in what is now the museum building, on the second floor. There was a closet about the usual size of a wardrobe closet off from it that contained everything that we did not have on the desks. We had desks running a large portion of the way around the room.

Q. You say you had no laboratory books in the secretary's office?

A. I never saw any there.

Q. Would you have seen them if there had been any there?

A. I think I should. They might have escaped my notice, but my impression is that I should have known it.

Q. Were there many books and papers stored in that closet at this time?

A. There were quite a good many.

Q. What did Mr. Burleson do with the annual reports and vouchers when he left?

A. I have no knowledge of any of them. If there was any disposition of them other than to leave them there it was not done in my presence.

By Mr. Kelley:

Q. Did you remain there after Burleson left?

A. Yes, sir.

Q. Did you notice any annual reports and vouchers from the laboratory having been taken away after he left?

A. I hardly think I should have known it. They were done up in packages,—those that I remember, and laid away in the office; so that if any were taken I should hardly notice it. We had no occasion to examine them. They were regarded as matters past. I never mistrusted any of them being taken away.

Q. How long did you remain there after Bennett came in to be steward?

A. If I remember the date of Bennett's election, it was a year and a half.

Q. You remained there a year and a half after he came in?

A. Not regularly, but at times when the steward needed assistance.

Q. Did you ever have occasion to talk over the annual reports and vouchers with Bennett?

A. No, sir; I never knew anything of the kind being done while I was there?

By Mr. Taylor:

Q. Did you know at the time you were there with Burleson of any ill feeling or hard words passing between Dr. Douglas and Mr. Burleson?

A. I never heard of any intimation of the kind.

Q. They always seemed to be up on friendly terms?

A. I never discovered anything to the contrary. I hardly think any mention would have been made of it to me if there had been.

Q. What disposition was made by Mr. Burleson of his own books and papers, —those belonging to the office?

A. As far as my own knowledge goes, those that had accumulated in the office after the office was established in the building, were left,—I should perhaps explain here that prior to the year '63—, I think '63, it may have been '64, the secretary's and steward's office has not been kept in the University building. There were very few books and papers in the office that belonged to Mr. Burleson's predecessor, Mr. Wood I think. As far as my own observations go, I should say everything that had accumulated in the office after it was placed in the University building was there.

Q. Did not Mr. Burleson burn up some papers belonging to the University?

A. Not to my knowledge. It was never done in my presence.

SAMUEL T. DOUGLAS SWORN—FEB.-24.

By Mr. Taylor :

Q. Are you connected with the laboratory of the University?

A. Yes, sir.

Q. What position do you hold?

A. I am entitled to the position, I believe, of assistant in the school of mines, especially in quantitative analysis and metallurgy. So put down in the catalogue.

Q. You are the son of Dr. Douglas?

A. Yes, sir.

Q. When did you first become aware that any deficiency existed in the laboratory accounts?

A. On the evening of the 18th of October, '75.

Q. How was such deficiency discovered?

A. As was very often the case, I would assist my father in writing. I could write a good deal faster than he could, and would very often assist him,—would copy down the vouchers, make a list of the vouchers as he received them; and that evening we were making a list of the vouchers, and I being in the laboratory at that time, we were discussing the ability of the student compared with his bill; and as he was calling over the vouchers I had written them all down, and asked him if that was all; and he said it was; and we went on talking about different persons, and among others the names of Miss Hubbard, and George Pantlind, and Little, all of whom I knew; and I think very likely I suggested those names,—asked if they were here; and he said he guessed they were. I said, "I don't remember putting them down on the list," and he said, "I think you did;" and I said, "No: I don't remember it," and he said, "Look it over." I looked it over. Miss Hubbard was the first name,—I did not find her name. He asked if it should be there, and I said it certainly should. He said all the vouchers were handed over to him, and he said, "Do you think there are any more?" I ran my eye over the laboratory, over the working rooms, to each person,—the tables they occupied, and I struck upon Pantlind, I think, next, and then Davis. I don't know but he suggested one of them.

Q. What step was first taken to ascertain the amount of this deficiency?

A. The next evening, after supper time, I was in the study, and Dr. Prescott

came in. I knew in the meantime he had been spoken to, to look over the accounts.

Q. What was done with these four names?

A. They were put on a piece of paper. We spoke about them, that they ought to be there. I thought there must be some mistake,—did not think anything of it only as a mistake. The next day we walked to the laboratory together, and I understand they were handed to Dr. Rose; and I was present, I think, when they were handed, behind the counter dispensing, and then I went into my own room, and I was told—

Q. No matter what you were told. What did you hear Dr. Rose say when you were present?

A. I did not hear him say anything. I was not near enough to hear him say anything. I saw the list presented and handed to him.

Q. You present the evening Dr. Prescott and Douglas made the first examination of the books?

A. I was.

Q. Did you take part in the examination?

A. I did somewhat, copying names as they called them off, and lists, and checked them off.

Q. What books and papers were present at that examination?

A. The ledgers for that year and the vouchers for that year.

Q. What further steps to your knowledge were taken in regard to the matter?

A. I was more or less aware of everything that was going on, and knew that the different names were handed to Dr. Rose. I was told almost everything that was going on. I went to the laboratory almost every day when these names were handed, and as I went through I saw father go to Dr. Rose and speak to him,—part of these at least; and I was at the laboratory when other conversations took place.

Q. When and what were the circumstances of these conversations?

A. I think it was two or three days after that at noon, we were coming through the laboratory going home; and as we came along, I could not state exactly, I think father went behind the counter or dispensing stand, and I think that Dr. Rose walked through, and beckoned to him. I could not say definitely as to that, but at any rate they had a conversation in the southwest part of the main room. I thought, as it seemed to me, that that conversation was private, and I walked right through the laboratory and kept in the other part of the room. I walked up and down in the room until they finished, and then we went to dinner; and as we got out of the door father spoke to me about the conversation, just as we got out of the door of the laboratory. Father said to me in some such words as these: "That was the most painful spectacle he ever witnessed;" and I asked what it was, and he said some such words as these,—I cannot state the exact conversation: "Rose acknowledges himself responsible for the whole thing, and begged me with tears in his eyes not to drive him from the laboratory."

Q. Were you ever present at the laboratory when a settlement took place between Dr. Rose and Dr. Douglas? And did you ever see such settlement?

A. I think I have been.

Q. State how these settlements were made, as it appeared to you?

A. I think the stub-book was taken first, and they went through, signing the letters *D*; and the vouchers were handed over, first read off by one of the parties and put down by the other; father usually read over the vouchers and Dr.

Rose put the numbers down on a slip of paper, and then they would check off the vouchers with the amounts on the paper, and the settlements were made; and the vouchers were put in the paper and taken to the house by father.

Q. When those vouchers were brought home by Dr. Douglas, how were they treated, and where were they kept?

A. They were generally kept in a pigeon-hole, one certain pigeon-hole in his case, I think; they were always kept there, and generally the same evening, the same day, I would see him enter them. I was in the room a great deal, and we worked together; sometimes, I think, I would enter them, he would call them off and I would enter them in the book.

Q. Were you ever in New York when purchases were made for the laboratory?

A. Yes, sir; I was in New York two years ago I think.

Q. When and how were the purchases made?

A. At the time I saw the purchases made, the list of chemicals and apparatus was made out, and the list was first handed to Rohrbeck, and he appended his price on the edge of the sheet of legal cap,—the price that he would fill the bill for, and that was cut off. I remember we cut it off at the hotel, I think, and in the afternoon it was taken to Benjamin. The little slip that was cut off from the edge of the paper in the afternoon, was taken to Benjamin, and he put his prices down on the margin of the same sheet of paper; and when they had both filled that out, the lists were compared and checked off. If Benjamin did the lowest on one thing he got that, and Rohrbeck the next, and so on. That is the way it was the time I was there.

Q. Did you ever compare the prices paid by the University with those paid by any other institution? If so, how did they compare?

A. I did this winter at New York at the School of Mines. I asked all the assistants in regard to the prices there, and as to how much they paid for certain articles, and how much they charged the students, and then compared them with the prices at home.

Q. How long have you been an assistant in chemistry in the University?

A. I think it was '72-3 that I first commenced assisting.

Q. What was the result of your comparison with the New York school?

A. The prices charged at Columbia were higher.

Q. How much higher?

A. As to per cent I could not say. I think they were 25 per cent higher. I know some things were double. They charged for filter paper almost double what we charged, and for other apparatus they charged very much higher. I inquired with reference to filter paper more especially, as that was an important item.

Q. When did you commence giving instructions as assistant in the laboratory?

A. I graduated in '73, and took a pharmacy course in '73-4, and in '74-5 I commenced giving instruction as assistant in chemical lectures and class work. I had done somewhat in the laboratory previous.

Q. Did you give any instructions during that time?

A. No classes.

Q. What salary did you receive?

A. I can't state the exact salary: I think it was \$50 or \$100—I don't remember the exact salary.

Q. When you first entered the laboratory the first year what salary did you receive?

A. I went on the same salary with the other assistants,—\$500 a year.

By Mr. Hinchman :

Q. After you graduated?

A. Yes, sir; after I had graduated in the literary department and also in the laboratory.

Q. How long did it take you in New York to purchase those chemicals?

A. We spent I think a day and a half at Rohrbeck's and about the same time at Benjamin's, and then looked around at other places. I think we went to some other places.

Q. What other places were there?

A. No other places to purchase chemicals. We went to a number of places to look after things for the school of mines, just being fitted up,—I can't remember the firms,—for furnaces and plans, and such things.

Q. You had a list prepared of all the articles that you obtained prices upon?

A. Yes, sir. This list was prepared before going to New York.

Q. You did not have to stay in their establishments a day and a half,—did you?

A. We did stay there to look over all the new apparatus they had, and picking out. After the list was given to them we staid there to pick out the kind of apparatus that was required.

Q. How many hours did that bill include?

A. The business hours up to about 3 o'clock,—from 10 to 3.

Q. Did you get any list of prices at Columbia College that you brought away with you?

A. No, sir. I did not get any list. They have no stated price list.

Q. No printed list?

A. No, sir.

Q. No list put up in their laboratory?

A. No, sir.

Q. What rule have they for fixing prices?

A. A gentleman by the name of Julian has charge of that. There is a separate building a little off from the main building. The school of mines and the students all go there for chemicals and fixtures, and a person keeps all the books and does nothing else. He is an assistant and janitor, I think, too. He does nothing but dispense and keep the books of the school of mines.

Q. How many times did you go down with your father?

A. I have been East with him twice.

Q. When was that?

A. Two years ago.

Q. Were you down again last year?

A. Yes, sir.

Q. Were your expenses included with his?

A. No, sir.

Q. Sure about that?

A. Yes, sir.

Q. Don't you think that two days would have been sufficient to have bought any chemicals of Rohrbeck & Goebeler and Benjamin?

A. We did not find it so. We were some distance off from the city, and spent one day and a half at Rohrbeck's and about the same time at Benjamin's,—of course talking about chemicals.

Q. I should think the list might as well have been made out at home and sent to them by mail?

A. They have a great deal of new apparatus to look into.

Q. What new apparatus did you buy?

A. I cannot state the articles that were bought. I can just remember one now,—a furnace for ignition, fusion, and such things, and a great many different kinds of beakers and glassware and such things. They are new and not entered in the catalogue.

Q. Whether any balances were purchased at that time and from whom?

A. We look at two or three places. They were purchased of Becker on 138th street, and a trip was taken there, which takes about all day.

Q. Do you know what the regular discounts were on those balances?

A. I do not. I would say, without being definite, about 10 per cent.

By Mr. Taylor:

Q. What is your duty as assistant to your father before you became an instructor in the laboratory?

A. Assisting him twice a day in his lectures.

Q. State to the committee the peculiar duties that you performed,—the work that you performed.

A. I was at the physical laboratory in the medical building putting up batteries and preparing for the lectures, and many duties of that description preparing for the lecture, and afterwards putting away the apparatus and keeping it in order; and during the lecture I assisted in various ways.

Q. Who fills that place since you have been instructor?

A. Professor Langley has the professorship and Mr. Young is the assistant?

Q. How many students are there in the School of Mines at the present time.

A. I cannot state definitely. I know how many there are in the laboratory. They spend two years on the other side before they come into the laboratory. There are nine students, I think, working there as seniors,—mining engineers, as to sophomores and freshmen I can't tell. I don't know exactly how many juniors. I only have them in quantitative analysis and partly in qualitative; also pharmacy students in quantitative.

Q. How many have there been since its creation?

A. It would be a mere guess. I would have to look at the catalogue and see. I could take a catalogue and run through every name in the school of mines. There have been a great many students not special mining-engineering students.

Q. How many students are there in the school of mines as a school?

A. I have no means of telling except from the catalogue how many there are in the freshmen and sophomore years, because I don't know them until they get to the laboratory in the junior year.

Q. How many do you think there are?

A. I should say between 30 and 40; that may be 20 or 25 out of the way. I should say that.

Q. Are there not at all times a great many special students who are not pursuing a regular course of mining engineering?

A. I think there are almost a dozen in there now pursuing special duties appertaining to metallurgy and not in the course. There are a great many post-graduates who come to study mining engineering. You could not call them mining-engineering students, because they are put down as post-graduate students,—quite a number.

Q. Were the figures made by Rohrbeck & Goebeler and E. P. Benjamin for chemicals, which you have mentioned preserved, and the invoices of the goods when received, compared with them to see if they filled the bill as agreed?

A. I think they were preserved, and I don't know but they are preserved now. I can't say exactly where they are. This piece was torn off from the edge, and I know it was afterwards put with the main sheet, and was brought home, and I think was compared; although I won't say definitely whether it was or not.

Q. You have not any of those papers with the figures upon them now?

A. I don't know whether we have or not; I could not say. I know that was brought home.

Q. Were the invoices compared with them?

A. I could not say as to that. My impression is that they were, but I cannot say. The invoices were compared with the bills sent.

Q. How did they compare?

A. They were compared, and when anything was missing of course that was left out.

Q. Could those purchases that have been made and prices obtained not have been done as well by letter?

A. I don't think they could. We spent two days there this winter.

Q. Whether imperfect or damaged articles are often returned to Rohrbeck & Goebeler because of their imperfections?

A. A great many every year.

Q. Are there ever any lectures delivered to the class known as the "School of Mines" as distinct from any other class?

A. I don't know that there is any class known as the "School of Mines," but as "Mining Engineers" they have not got to the time in the course when lectures are delivered to them. Some of them are in their graduating year.

Q. When is the time?

A. This is the year for the course in metallurgy.

Q. Who delivers those lectures now?

A. Dr. Prescott has some lectures, and Mr. Johnson, and in two weeks I will have in quantitative analysis; and they have lectures on the other side of the campus from two or three different professors probably, and they are to have some lectures after this semester in metallurgy. That is down in the course.

Q. Have any lectures been delivered to these students so far this year?

A. Certainly, lectures have been delivered to them.

Q. In metallurgy?

A. No, sir.

Q. State what you know about Dr. Douglas being employed his full time in instruction of students in the laboratory?

A. In regard to that I know that he has been working all the time he could possibly get at the laboratory, especially in the basement in the assay department, in making assays, testing furnaces and instructing students. Some of these special students in mining engineering have not got under his instruction yet,—special students in assaying and metallurgy.

By Mr. Newcomb:

Q. I understood you to say that you assisted your father in making out his reports at the time this was discovered?

A. No, sir.

Q. What were you doing?

A. Assisting him in taking a list of these vouchers.

Q. You were in the habit of working for him?

A. Yes, sir. I would not say it was a habit. Sometimes I would assist him, very often helped him in his accounts,—write a great many letters for him.

Q. I would like to have you take the ledger of '68-9 and look at the account of M. T. Case, and tell us what you know about it?

A. I don't know anything about it. I do not see anything in that account that I have seen before and know anything about.

Q. You don't know whether there was a voucher covering that or not?

A. No. I have looked over most of the vouchers, but in this connection I could not say whether there was or not.

Q. If that should be an account without a voucher would it naturally be a delinquency account?

A. Naturally would.

Q. If that should be reported on Dr. Douglas' report for that year without any voucher, how would you account for it?

A. I should account for it, if it was not reported as a forfeited account. I should say that the vouchers should be there if it was not reported as a forfeited account.

Q. It might be one of those accounts where the voucher covers two or three accounts?

A. If they are settled at the same date it covers two or three accounts. It may be so. If there was a voucher which will amount to all of Mr. Case's accounts exactly, I should say that the voucher covered those accounts.

Mr. Tregaskis.—M. T. Case, ledger 204, \$26.60. \$26.45 is on Dr. Douglas' report. There is no voucher for it. The stub is number 65. There is a stub, and it is on the report, but there is no voucher for it.

Q. Under those circumstances, Mr. Douglas, how would you account for it?

A. There is no way of accounting for except the voucher is misplaced in the package, or something of that kind. I have not looked up the account. I would want to go through it and compare it before I gave the answer.

Q. Is the amount fully paid on the ledger?

A. Yes, sir.

By Mr. Hinchman:

Q. The committee would like to know about what quantity of chemicals were returned to New York?

A. As to the exact quantity I cannot state. I know that I have helped to pack boxes to send back.

Q. You don't know the amount in figures?

A. No, sir.

Q. Does that occur every year?

A. Almost every year. I can tell a great from the letters that have been sent, as I have written most of those letters.

Q. What articles were those that have been imported as pure imported goods and found to be imperfect?

A. Some of them were some apparatus that was worthless. I have got a lot of beakers that were heavy and looked like American work, and worthless, and they would have to be packed up.

Q. A considerable amount of them.

A. In some years there was quite a large amount.

Q. Would you not get the impression from that sort of dealing with those houses that they were not proper houses to deal with?

A. The impression that I had was that they were the only two houses you could get them of. Sometimes the goods were perfect, and other times they sent poor goods, and those were sent back and the freight charged back to them.

Q. You found foreign goods unreliable as well as American?

A. Very. Some goods we got from Germany were very unreliable: perhaps a third of the test tubes were broken.

Q. Did you know enough about prices to know that very high prices were paid generally for chemicals that you bought of Rohrbeck & Goebeler?

A. I don't know about that. I don't know enough about chemicals. I have often compared them with articles as found in McKesson & Robins, and such drug catalogues as that.

Q. McKesson & Robins' prices were lower?

A. The articles of the same name but not of the same quality.

Q. Do you remember what they charged for foreign test tubes?

A. I don't know; they have never kept any American test tubes. I cannot state the price of test tubes. The test tubes we got from Germany were a little cheaper. The test tubes we get from Whitehall & Tatum are very much cheaper, although we charge the catalogue price of Rohrbeck & Goebeler.

Q. What was paid for the foreign goods?

A. I don't know. The catalogue of Warmbrun, Quillitz & Co., a Berlin firm, I compared with Benjamin's and Rohrbeck & Goebeler's catalogues, and found they would be cheaper in Germany, but the breakage and the worthlessness of some goods demonstrate that they are not as cheap.

Q. What price did you pay Whitehall & Tatum for the test tubes?

A. I cannot say. I thought I knew, too.

Q. Don't you know the price paid for best tubes? Is it \$2.50 a hundred?

A. I cannot say that I know, because I can't recollect. I know Whitehall & Tatum's best tubes are better and cheaper, although they are charged students at Benjamin's and Rohrbeck & Goebeler's catalogue price.

Q. How much did you charge students for them?

A. The price list will tell. I do not dispense the chemicals.

Q. How long have Whitehall & Tatum been manufacturing test tubes?

A. I don't remember. The agent came there, and he made the first test tubes for the laboratory of the University of Michigan, the first glass work of any importance that was good for anything.

Q. Are you using American or imported test tubes?

A. American, except the long test tubes.

DR. DOUGLAS RE-CALLED—FEB. 24.

Witness.—I have made a memorandum of various things I wish to call the attention of the committee to. The first on the memorandum is what is known as the Oakes draft in the Arcade bank. I would say with reference to that, that it was received, as I often received from Professor Rose, as so much cash, and was not applied on this specific account any more than so much money, so many bank bills, would be applied. The Oakes draft was made payable to the order of Dr. Rose, and was indorsed by him to me, and has no connection whatever with the Oakes bill.

Q. Why did you charge it up to the University?

A. I laid the facts before the Board of Regents as to the draft having been taken as currency, and submitted to them whether it was right and proper, in-

asmuch as I used all due diligence to collect that draft, to charge me with the loss appertaining to it. The draft was not paid, and is now there as a voucher. The Arcade bank failed in the interval of time between its having been paid me and the time it was presented for collection. The Board of Regents allowed it to me as a just claim.

Q. Had you ever paid out any money on that draft?

A. I had accepted it as so much money.

Q. Wasn't it worth just so much money to you turned over to the University?

A. And I did turn it over to the University.

Q. You charged the University?

A. No, sir; I turned it over to the University. I had received it from Dr. Rose as so much money on general account, not on Mr. Oakes' account specifically, but on general account as so much currency. I turned it over to the University as a protested or unpaid draft.

By Mr. Hinchman:

Q. You did not receive it separately by itself?

A. No, sir; as I often do,—it is almost, I was going to say, a daily transaction, a transaction that very commonly occurs,—that I take from him as money checks and drafts and such things as he turns over to me without reference to the individuals whatever.

Q. Did you credit that to the University?

A. Not on Oakes' account. I received it from Dr. Rose.

Q. Do you see any credit for it on any of your books?

A. On account of Mr. Oakes?

Q. On account of the University. Did you credit it anywhere in your books?

A. I can't say that I have any specific credit. I received it as I did bank bills that received from Dr. Rose. They are not specifically credited to the University; they apply on vouchers, and those vouchers are credited to the University.

Q. Whether you are sure you credited that draft to the University in your account?

A. I am sure I received it as currency from Dr. Rose.

Q. That it stands now as credited now somewhere in your accounts?

A. It will, of course, stand as so much cash received from Dr. Rose on these various accounts that I surrendered.

Q. Where is it?

A. That specific sum?

Q. Yes.

A. I don't say that specific sum,—it would be of the same nature as so many bank bills. They are received from Dr. Rose as so much money. They do not appear in my University account.

Q. Can you tell in what particular account it was included?

A. No, sir. If I had any means of referring to any particular statement or any vouchers turned over at that time, I could see where it was included.

Q. Can you tell at what date Dr. Rose handed it to you?

A. No, sir.

Q. Anywhere near what date?

A. No, sir; I don't know that I can.

Q. You don't remember whether it was a date corresponding with the date of the draft or not?

A. I don't know.

By Mr. McArthur:

Q. Do you find that figured in in any of these wrappers?

A. I don't know; I have not looked. I would be very glad to have that investigated. I would say that when I was on the stand before with reference to this Oakes draft that I had no recollection of the transaction; that I supposed it referred to a transaction that took place in Indiana,—where I sent forward a draft to Indiana and it was collected and credited to the University; but it seems that it referred to another transaction which I did not recollect at that time, and of course I can only recall it in a general way now.

By Mr. Hayes:

Q. You credited the University, and after you found the draft was not good for anything you charged it back?

A. Yes, sir.

Q. Did you return the draft to Dr. Rose?

A. I returned the draft to the Regents.

Q. Has the University lost that?

A. Yes, sir. The Arcade Bank was a total wreck.

By Mr. McArthur:

Q. Is there any evidence that you received it from Dr. Rose?

A. It is indorsed by him, made payable to his order. The draft will show for itself.

Mr. Hayes—Would not Mr. Oakes be holden for that?

By Mr. Taylor:

Q. What I want to find out is whether this was a stubless account?

A. It is.

Q. Show us in that year where you account for stubless accounts?

A. I have accounted in that year for the account of Isgrig \$47.80, that there seemed to be no voucher in the package for.

Q. Is there any stub for it?

A. I think there is. It will be recollected it has been said over and over again here that prior to 1869 there were occasional accounts, very few, for which there were no vouchers returned. Isgrig, I think, is a stub account. I am not certain with reference to this.

Q. Show us in that year where you accounted for stubless accounts?

A. I accounted for 254 vouchers amounting to that. That one I don't know whether it is a stub account or not.

Q. Find out whether this is in '69-70,—Isgrig?

A. Isgrig had a stub number 27 in '67-8. Whether it refers to that account or not I do not know.

Q. Mr. Tregaskis, will you find out whether Isgrig's account in '69-70 is a stubless account?

Mr. Tregaskis—There is no Isgrig in '69-70.

Q. Look at '67-8 then.

Mr. Tregaskis—There is a stub number 27 signed "S. H. D.," and no voucher.

Dr. Rose—Look in the year '67-8 and see if it is not returned as forfeited.

Mr. Taylor—What do you find, Mr. Tregaskis?

A. I find a stub number 27, \$10.

Mr. Taylor—Is it not a forfeit account?

Mr. Tregaskis—It might be termed a "forfeit" account. The amount of the bill is \$57.80, and there is \$10 credited September 7th, '67.

Q. Look at the stub and see whether it is marked "forfeited."

Mr. Tregaskis—There is no forfeiture mark on it. There is the stub, "S. H. D." written on it: marked settled with "S. H. D."

Q. [To witness.] Can you show us in that year where you accounted for the stubless accounts of the nature of this Oakes account?

A. No: I don't know as I can unless Isgrig's is in the nature of that.

Q. That has a stub?

A. There seems to be a difference of opinion whether it has or not.

Q. Mr. Tregaskis has just shown the stub.

Mr. Tregaskis—In the annual report of '68-9, \$47.80 is reported.

Mr. Douglas—Isgrig's account, if you will allow me to explain (if you have got done looking it up),—Isgrig's account, if I understand it, is this: Mr. Isgrig made a deposit in '67-8, deposit ticket number 27, I think it was reported. He went away without settling his account. That deposit was credited to the University, \$10 as forfeiture. Mr. Isgrig in the next year returns, and as the ticket has been disposed of, his account of \$47.80,—either he surrendered his ticket, the original stub,—probably that is the case, and it has got out of the package in some way. It was paid at any rate, and the University credited \$47.80.

Q. What voucher did you receive from Rose when he turned over the amount for this account of Isgrig?

A. I cannot say. Very often those forfeited accounts appear in the early history of the University prior to '69. Very often the certificate did not come back. It should be found, and very likely may be found in the files as returned, but has not been. If it is found in the returns it will be found written across the certificate, or upon the certificate will be the statement reported as forfeiture, if the ticket calls in that place for \$57.80, \$10 having been credited in the previous year to the University as forfeited. Mr. Isgrig is now credited only \$47.80, having been credited the previous year with the \$10 as a forfeiture, and is now credited \$10 less than the ticket calls for. You will find quite a number of that character distributed through the various years, so that you will be able to trace it. That is in reply to an intimation that has been thrown out here that there are certificates found in the packages that have no business there. There are certificates of this nature.

I was inquired of in Ann Arbor, in the cross-examination, with reference to a sale of chemicals, amounting to something over \$100, to a Mr. Tinkner, of Kentucky. At the time I could not recall any such transaction. I did not know of any man from Kentucky by the name of Tinkner; supposed the sale referred to a Mr. Tinkner from Indiana. In examining my correspondence I find that some goods were furnished a Mr. Tinkner at some time, I think, in '60. Those goods, with the exception of a few small articles that appear credited in my account, if I remember rightly, were furnished not from the laboratory, I speak now on general principles, because in that early period we could not fill an order of \$100 from the laboratory very conveniently, but were furnished by an order from New York, as is very often the case, and never entered into the laboratory transactions at all. Only within six weeks have I made an order from Philadelphia of precisely the same nature of over \$100.

Q. Shipped direct from there?

A. Shipped direct from there; never saw the laboratory, and the account

never sees the laboratory. It is a very common transaction; and this transaction of Mr. Tinkner's is beyond all question a transaction of that kind,—that is, it is in my judgment.

A good deal has been said with reference to the price of chemicals; and I desire to say here that if it is not understood that those prices were regulated by Dr. Rose under the rule of the Regents, although I sometimes advised in connection with it. Still my direction was only of a general nature. Prices have been charged in excess of what they should be; the University has had the benefits of it, and not myself.

By Mr. Hinchman:

Q. Can you show where it was by direction of the Regents?

A. Yes, sir. If you will hand me the rules that you have before you, the same rule that has been referred to before in the testimony—

Q. Was not that meant for the director of the laboratory instead of the assistants?

A. I suppose it meant for all connected with the laboratory. That rule was posted in the laboratory, was well understood to be the rule. If any person feels himself aggrieved, he has these catalogues to refer to. I also desire to state that the chemicals and apparatus during the existence of the laboratory have by no means been purchased of Rohrbeck & Goebeler and Benjamin exclusively; that I have purchased them of other houses,—Eimer & Amend in New York, and of Powers & Weightman, and Bullock & Grimshaw of Philadelphia.

Q. The bills have all been turned over to the committee, so that we can judge of that ourselves?

A. Yes, sir; and I have ordered also goods from Berlin,—quite a large bill; those bills will be found in the files. I have not confined myself to any one. Sheffield & Co.'s bill will be found also.

Q. You have made purchases of other parties principally since the discovery of this defalcation?

A. No, sir. The bill of Powers & Weightman was made a year ago last summer,—three months before the discovery of this defalcation; the bills of Eimer & Amend were made, I think, before this; the bill of Sheffield was made before this, and the bills of Green were made long ago; and bills have been made with Kittier long ago.

Q. Didn't you testify that the American articles were inferior?

A. As a general rule they are not fit. I went to see Powers & Weightman personally, and talked with them,—told them what I wanted the goods for. I had never purchased any of them up to that time. They told me if I wanted chemically pure articles, absolutely pure for chemical purposes, they could not fill the order. They said they would fill it, but they would buy the articles of Bullock & Grimshaw.

Q. Why did you buy a bill of \$500 or \$600?

A. They represented their articles as good articles, and I thought I would try the experiment and see whether they were not articles that we could use in the laboratory. I did try it, thinking if we could not use them in the chemical department that we might use them in the pharmaceutical department. Some of them were used in the pharmaceutical department. I had occasion to order acids from Charles O. White. I am not certain whether I ordered direct from them, but I had White's goods in the laboratory. I have not confined myself by any means to those two firms.

Q. Were not those chemicals dispensed to the students for ordinary analysis?

A. Powers & Weightman's?

Q. Yes.

A. Some portions of them were. The nitrate of silver (Powers & Weightman) make a sufficiently good article for all purposes; and as a general rule I think the iodide of potassium is sufficiently good. Caustic potash answers many purposes in the laboratory, although not pure enough for other purposes. The white caustic potash is a good article, but by no means pure; but it answers for many purposes of the laboratory. His acids also answer very well for certain purposes. For other purposes they do not usually. A large portion of his acids, sulphuric, hydro-chloric, and nitric, are sufficiently pure as used for chemicals.

Q. Answer just as well for students who are commencing?

A. It is just as necessary for a student commencing to have pure chemicals as if he has worked there for years. I will illustrate this by what filter paper—

Q. As far as the ground has been gone over it is not necessary to repeat.

A. I desire in connection with the purchase of chemicals to say that I deny absolutely and unqualifiedly that I have ever received any consideration from any parties from whom I have bought laboratory supplies beyond a glass of lager and some crackers one day. I never went to an entertainment of any kind with any of them. I purchased goods of the same parties that Columbia, Yale, and Harvard purchase from. I don't know but I have stated that before.

Another question has often been alluded to,—as to expenses of going east in vacation. If the committee will allow me I will say a word on that.

Q. Go on.

A. Allusion has been made to the fact that in 1875 I charged the University \$148 for expenses east. 1875 was an extraordinary year, we were making the outfit for the school of mines, collecting material. I first went to Boston, and there met Dr. Angell by appointment. We spent several days there in looking over the school of technology and looking up certain questions with reference to the appointment of lecturers of professor of general chemistry. I met Dr. Angell twice in Boston while I was east. He was stopping at the Narragansett, and I was looking up information, and we were looking up information together, both with reference to the purchase of supplies and upon the other question. If I remember rightly, in the two trips that Dr. Angell made to Boston I paid his hotel bill there, which added somewhat to the expense, and charged it to the University. I went from Boston, after spending some time there, as long as it was necessary in consultation with Dr. Angell and Professor Pettee. I went with Professor Pettee to Yale College, and we spent a couple of days at Yale looking over the Sheffield Scientific School and examining their appliances,—matters that we were seeking information about. We then went to New York and spent a good deal of time in New York in seeking information there that we desired, and purchasing supplies for the mining department.

Q. Did you keep an itemized account?

A. Yes, sir; I did.

Q. Go on.

A. After spending several days in New York, visiting Columbia, and conversing with individuals and getting their advice, and looking up apparatus, I went to Philadelphia, and it was then that the purchase was made of Powers & Weightman. We looked over questions that we thought necessary to investigate in Philadelphia, and from Philadelphia we went to Bethlehem,—to the Lehigh

University, where they have an extensive outfit. We visited Lehigh University and the various furnaces there, and made arrangements for specimens of this nature. We then went from Bethlehem to Pittsburg, looked up information there that we considered was valuable, and from there home. This whole trip, which was somewhat protracted and somewhat expensive, cost the University \$148, including expenses, so far as I paid them, of Dr. Angell and Professor Pettee.

By Mr. Hinchman:

Q. Do you know whether the University has paid the expenses of any Professor in New York or elsewhere, or to Europe?

A. Not that I know of.

Q. Did you ever apply to have your expenses paid to Europe?

A. I represented to the Board the desirability of making purchases in Europe. I stated to the Board that I did not see that it was safe to do it by order. Dr. Cocker, who had visited Europe with a friend of his, a professor in a Canadian institution, the year before, urged upon the Board the economy and importance of sending some one to Europe for that purpose; interested himself very much in it, and related to the Board the expediency and the economy of some one going there. He had had experience in the purchase of goods, laboratory supplies, and was very earnest about it; and at his instigation the matter was presented to the Board of Regents.

Q. What was the amount of your bill purchased generally when you went to New York?

A. Well, sir, I don't know as I can say. Perhaps the purchases for the year amounted to from \$4,000 to \$6,000.

Q. Don't you know that sometimes your bills were not over \$200 when you charged expenses to New York?

A. No, sir; I don't know that.

Q. What is the expense of going to New York, and remaining three days, and returning?

A. I don't know, I am sure. I charged my actual expenses. They are variable. It is very cheap now.

Q. Do you swear that it was necessary to stay there longer than three days to make the amount of purchases you generally did?

A. I think it was. I don't think that the necessary information could be obtained. If it was merely purchasing a general stock of ordinary staple articles it would not be necessary, but to keep up with the times it is necessary to look up a great many things and obtain new articles and apparatus and see what improvements have been made, and I generally spent one day in visiting Columbia College for that purpose. It takes pretty much all day to go up there and obtain information.

Q. Were your charges generally over \$100?

A. No, sir; I don't think they would be. I think they were usually less than \$100.

Q. Your statements show from year to year?

A. Yes, sir, I have no distinct recollection of it.

Mr. Taylor—Go on.

A. Allusion has been made to a question asked here as to whether the contracting of a debt against the University was authorized by the Board of Regents. I would say with reference to this, the way the affairs of the laboratory had been carried on, it became absolutely necessary to anticipate the receipts of the laboratory. While I had no authority to contract the debt, still the wants

of the laboratory had been met; and if the resources of the laboratory were applied to-day to extinguish these debts there would be no debts on the laboratory,—that is, in my opinion there would be none. They owe me something over \$2,000 for advances. That debt was incurred a year ago last fall in purchasing the supplies for the winter in the month of December, I think. I sent in my account before the receipts of the laboratory had come in, to meet that debt. I don't know what Mr. Bennett's books will show, but probably before the year closed I received a sufficient amount of money, if it had been applied to the extinguishment of this debt it would nearly if not quite extinguish it.

By Mr. Hinchman:

Q. You have sworn that the inventory of the laboratory was \$8,000, I believe?

A. I have forgotten what it is.

Q. Do you swear it was necessary to carry a stock of \$8,000 in order to sell \$4,000 at retail, and that cost \$2,000 only?

A. That is hardly a proper way to put it. The stock of the laboratory consists of a great many things that are loaned out to the students,—for example, re-agent bottles,—there are at least 2,500 re-agents bottles,—from that to 3,000 that are part of that inventory.

Q. What do they cost apiece?

A. Re-agent bottles that we use now we buy of Whitehall & Tatum, and they cost 12 and 15 cents; but a large portion of the re-agent bottles of the laboratory have cost a good deal more than that, and so of other stock. We have over a thousand dollars invested in balances. The invoice will show.

Q. If you run the laboratory in debt without the authority of the Regents, do you think you ought to charge them interest upon it?

A. If I advance the money in the Fall to make the necessary supplies, and do not get it back until it is distributed all through the year, I see no impropriety in my having interest on the money that I advanced to them. I may be wrong about that, though. I certainly should not, as I did last year, go to the bank and borrow money for the benefit of the laboratory to pay the bills, unless I saw where I was going to get it back again. I have a note in the bank to-day to borrow the very money that they owe me.

The question of these cancelled stubs has been brought up here repeatedly, and the statement which I made with reference to those cancelled stubs has been called in question by witnesses. I submit a list of the numbers and names of the canceled stubs from this period of time, I think to substantiate what I before stated,—which has been contradicted. In one year I stated that there were 100 canceled stubs. I made a mistake. There seems to be but 99 in that year. The names and numbers of the stubs are shown.

Q. 99 that you returned the money on?

A. 99 that were redeemed according to my account.

By Mr. Kelley:

Q. Did you redeem those?

A. That is a technical question. I consider that I redeemed them when I take those canceled stubs from Dr. Rose as so much money.

Q. Did you pay the money back to these students?

A. Dr. Rose paid the money back to the students, and I took those canceled stubs as so much money in our settlement. That is the fact. You can put

such construction upon it as can warrant. I took those canceled stubs just like currency.

Q. You mean all these that have the letter *D* or S. H. D.?

A. I don't know about that.

Q. Of course if they do not have that on you never had the money?

A. I don't know. They were canceled stubs.

With reference to the charge for extra services, I don't know as it is necessary for me to say anything about that.

By Mr. Kelley :

Q. Anything new that you have not stated before?

A. I have only to say that all these were authorized, as I supposed, by the Board of Regents, and all were legitimate charges of service, as a general rule performed in vacation.

I have a memorandum with reference to keeping laboratory matters separate from my individual matters. I will say in reference to that, that the relation of my connection with the laboratory is such that it became absolutely necessary for me to keep them in the manner in which they were kept.

I want to repeat what I said before with reference to forfeited deposits. I have always looked to Dr. Rose to report these forfeit deposits. It was his duty to report them to me, and in every case where he has reported them they have been reported to the University, and the University credited for the amount named. In no single case have I ever omitted, that I am aware of; and I desire in that connection to say that the number of real forfeited stubs is very small indeed. If you will examine the accounts you will find that there should have been reported in '67-8, that were not reported, two; in '68-9 there should have been two reported which were not reported; in '70-1 one of \$10 and one of \$5; in '71-2 there were 10 of \$10 each, and one of \$5; in '72-3 there were three that were not reported that should have been reported; in '73-4 there were three that were not reported that should have been reported, so that I had no reason to except that large numbers of outstanding stubs of the forfeit character existed. On the contrary I had every reason to suppose that the reports were made properly to me and they were properly credited. In this same period of time there were reported to me wrongfully those that ought not to have been reported as forfeit stubs; 33 are credited to the University, when actually they were settled up accounts and I had reported them.

Q. You credited the \$10?

A. I credited the \$10 because that is all I had any knowledge of. The report that was made of the forfeiture account is an example of these transactions. They are reported to me as \$5 or \$10 or for whatever the stub calls for, and nothing more; so that it was a surprise to me to find that there were outstanding stubs in this form. I supposed that all accounts with the laboratory were settled and properly settled, and that all outstanding stubs were regularly reported to me to be credited to the University, until this transaction occurred. On the various stub-books that are in your hands you will find some of these stubs written across in my handwriting with the word "forfeited." This word "forfeited" was written not at the time they were declared forfeited, but during the first examination. When we came to a stub that had been reported or was supposed to be reported and accounted for without the word "forfeited," I wrote across that stub simply as a memorandum "forft.;" so that all this writing was done with the knowledge and with the assent of that committee.

It was not done at the time those stubs were declared forfeited. I had nothing to do with them. Such entries should have been made by Dr. Rose and not by myself.

Q. That was during the first examination?

A. Yes, sir.

By Mr. Hinchman :

Q. State what the ledger shows with reference to such?

A. The ledger should correspond with these entries on the stub, and with a few exceptions I think it will. We were perhaps a little careless in writing it across in some cases, but it is substantially correct.

Mention has been frequently made here of the stubs reported in '75, or rather in '76. I refer to the testimony of Dr. Rose, page 76. The intimation was thrown out that I made haste. It is said to this effect: That on the discovery of this delinquency I made haste after the discovery to credit up these forfeitures and clear the record, and that these forfeitures were reported not until the cal. [close?] of 1875, or, as he stated in testimony, until the year 1876. The facts are these in reference to these forfeiture reports: In July, 1874, Dr. Rose made a report of 29 forfeitures, amounting to \$208. This was in July, '74, after I had made my annual report. I took the list which he furnished me of those forfeitures and the number of the tickets, and entered them in my account of '74-5, as you see. They would not come into the report until July, '75, or in that case it is delayed until October.

Q. When did you render this?

A. They were credited in July, '74, to the University on this book, and all interest account was stopped on those from that date. They were not reported,—not credited to the University in '76 at all, but they came into my report of '75. There is the original entry of these forfeiture accounts, and it was made, I think, in July or during the vacation of 1874 after I had made my annual report of that year. They would naturally come into that year, and did come into the year, and had no reference to this delinquency and defalcation, whatever,—not the slightest connection with it. The original report which was made on the evening that was referred to in my son's testimony will show that the first entries in that report before we knew anything of this transaction, were those forfeiture accounts.

It has been stated here that the tickets are with the steward. I have already explained the forfeiture tickets.

As to why this account of '74-5 was delayed,—allusion has been made to that. The account of '74-5 was delayed because of my being busy or so much engaged in July when I would have naturally made it, as not to have the time to make it out at the July meeting,—present it at the July meeting. I was engaged in making out that report in October to be presented at the first meeting that should take place after that date, when this discovery was made. After the discovery was made, or as soon as might be, this account was deposited with the secretary, and all the vouchers remained there, in consequence of this muddle, you might say, subject to alteration and adjustment with reference to this deposit account, and was finally made up and completed, and all the facts in connection with it are in the possession of the steward, who will give all necessary testimony, if there is anything necessary touching that point. There was no desire or disposition on my part, as the testimony of the steward will show undoubtedly, to suppress that report or to embrace in that report any transaction which did not come in the straight transaction of business.

It is stated that the delinquent accounts of '74 were paid under protest of Dr. Rose,—page 104 of his testimony. I have to say with reference to that that no such protest was ever made by Dr. Rose, or nothing ever bearing upon it. All interviews had with Dr. Rose —

By Mr. Kelley :

Q. In your testimony before you stated the same fact. There is a direct conflict between yourself and Dr. Rose on that subject. I don't see how you can add any new light.

A. I will say no more, if it is understood. I don't know whether I said anything about the conversation that took place with Dr. Rose with reference to secrecy or not, suppressing this.

Q. I don't think you did.

A. I wish to deny all such conversation positively and unequivocally. I wish also to deny, if I have not already done it (and if I have, I trust you will correct me), that I have held any interview with Mr. Climie in which I asked him to do anything to protect my family or reputation, or anything of the kind. No such interview has ever taken place with Mr. Climie. I said to him just what I have said to this committee, and said uniformly to the Board of Regents, that I am prepared to pay that stub account at any time they should say what was right. I never asked him to suppress anything whatever.

On what is called the "long book" here are certain red lines. I desire to state that the copy of the long book was intended, and was, as I supposed, a literal copy. There were no red lines across the page of the original. They have been added.

By Mr. Taylor :

Q. Were there any spaces?

A. I think there were spaces,—the same spaces that appear. I endeavored to have an exact copy made. Prior to 1869, I occasionally, though rarely (my account will show how often), received money from Dr. Rose without a voucher. It was a rare thing, however, then. Since 1869 it has been my uniform custom and practice to receive from him a proper voucher for all money that he paid to me, and if from any cause vouchers were lost he was required to duplicate them, and to explain the absence of the stub that corresponded with the duplicate by proper entry upon that stub that it was duplicate.

By Mr. McArthur :

Q. You mean you exacted vouchers of him for money that was paid to you?

A. Yes, sir.

By Mr. Hinchman :

Q. Were any vouchers received from him when he paid you stub money?

A. I called the stub the voucher in that case, either the certificate voucher or the stub voucher. My report will show that in one year—I do not now recall what year it was—one entry of \$44 that has no voucher for it, paid within the last two or three years. I will explain that entry. It was a bill of the son of a very eminent man in the State. Perhaps it would hardly be proper for me to name the gentleman. He was a very strong friend of the University, and has done the University some very excellent service in a variety of ways. If the committee insist upon it I will give the name. I think it is hardly just to him that it should be published.

Q. Did you receive money without the voucher?

A. Yes, sir.

Q. Give the name of the student.

By Mr. Hinchman:

Q. It strikes me the name will be necessary.

A. The name of the gentleman is Philo Parsons of Detroit. Mr. Parsons has made some valuable donations to the library of the University, as you are all aware, I presume.

Q. Was this young man a student?

A. Yes, sir.

Q. In the laboratory department?

A. Yes, sir.

Q. Paid his money?

A. He finally paid it. It was a year or two before it was paid. I suppose his father did not know that he had the bill. It was a matter of delicacy to his father. It was a year or two before I asked for payment. Parsons finally paid the bill, and I credited it without a voucher.

Q. Did you collect it directly?

A. I collected it directly and paid it to the University. It was collected and credited to the University, and there was no voucher for it.

I wish to deny, positively and unequivocally, all that has been said here and presented in testimony with reference to these "annual settlement" matters, so-called. No such settlements ever took place between Dr. Rose and myself, or anything bearing upon it. It is a scheme concocted that has no foundation, in fact or in accord, with anything that ever transpired in the laboratory. Not a word of truth in it. There was no annual settlement made in July, '75, as he stated. Our "annual settlement," if they can be so called,—the last settlement of the year,—did not differ in any particular from the settlements made every month in the year. They were made, and all settlements were made upon the surrender of vouchers and the proper accounting for receipts that he had received by vouchers; and all that has been said with reference to payment of what is called "subsequent deposits,"—these second deposits at the annual settlement,—is a fabrication. There is no truth in it whatever.

By Mr. Hinchman:

Q. Do you swear positively you did not have those subsequent stub-books printed?

A. Very much of the detail of conducting the laboratory,—that part of the laboratory, was dictated and arranged by Dr. Rose. He would occasionally ask me about blanks, and I would say to him, "Anything you want of this kind, get it printed." If he submitted anything of that kind, as I think he submitted certificates, it was a simple notice to be served upon the students for the payment of his bill. If he submitted anything of the kind to me it was what I supposed to be a simple notice. I did not suppose that he was using such documents as receipts. If I obtained the printing of those books it was because Dr. Rose simply handed me the paper and I took it to the printing office.

By Mr. Taylor:

Q. When Dr. Rose left the laboratory, who took charge of the books in his place?

A. Miss Crame, I think: I won't be positive.

Q. When Miss Crane came into the laboratory, who instructed her in the manner of keeping the books and the general work that she had to perform?

A. I gave her instructions,—what were necessary, I suppose,—Mr. Bennett and myself.

Q. Did Mr. Bennett know anything about the instructions that were necessary for her in that laboratory?

A. Well, he did instruct her.

Q. Did you and Mr. Bennett go together to instruct her?

A. No, sir. The money was paid—

Q. What instructions in regard to the keeping of those books did you give Miss Crane?

A. I cannot give them in detail. I had frequent interviews with her and talked with her about keeping the accounts; precisely what they were I could not say. The main thing was to see that the charges were made.

Q. Who instructed her in regard to keeping and using this subsequent-deposit book?

A. I don't know that I ever exchanged a word with her.

Q. When every one in that laboratory and every one in that University has testified that they knew nothing about it?

A. Miss Crane I found using those blanks, when we discovered those stubs, by running her pen through this receipt part of it, and she so used it.

Q. She erased the receipt?

A. Yes, sir.

Q. Who instructed her in regard to that?

A. I don't know. Perhaps Mr. Bennett. So far as the finances of the laboratory were concerned—

Q. Mr. Bennett has testified he knew nothing about the books and never saw them before.

A. I don't know anything about it. It was her own effort I suppose.

Q. I want to know just what you know about it?

A. I don't know anything about it.

I would say with reference to my name that appears on one of the stubs of that book, I explain that in this way: After the delinquency of the laboratory was discovered, the committee instructed me to settle with Dr. Rose daily. The latter part of the afternoon I would go into the laboratory, go into his part of it (he had still charge of it), and take what money he had collected during the day and sign all necessary papers. Well, my explanation of my name being on this paper is, I would frequently go in in a great hurry. Perhaps he would have some money and perhaps not, to turn over to me. The explanation is this: That he presented this book to me,—the stub of it, \$10,—and supposing that I was signing the ordinary stub-book I affixed my name to it and got the \$10. I put my name on that stub. It was perhaps careless in me in putting it on.

Q. Do you swear that you never gave Miss Crane any instructions in regard to that subsequent deposit book?

A. I don't know as I ever exchanged a word with her.

Q. I want you to answer me yes or no. Did you ever give her any instructions in regard to the erasure of the receipt?

A. I cannot recollect any such instruction; I can't say more. I have no knowledge of any such transaction. She can say for herself. You had better send for her. There have so many things transpired with reference to this that it is utterly impossible to recollect all the details of them.

Q. When did Miss Crane take her position there?

A. She took the position immediately Rose left, I think. I may be mistaken about that. Mr. Johnson may have carried on the work of the laboratory for some little time; I don't know. I kept no memoranda of these transactions.

Q. Do you recollect what time it was that you put your name on that stub in the subsequent stub-book?

A. I have no remembrance.

Q. Can you recall to mind the circumstances under which you did it?

A. No, sir; I cannot.

Q. Was it before Dr. Rose left the laboratory the second time?

A. I think it must have been, though I don't speak from recollection: only from circumstances.

Q. Wasn't it upon the final settlement and at the time that he left,—had been discharged by the Board of Regents in December?

A. I would not say that it was not. I do not know; I do not recollect it. I settled with him every day after this affair.

Q. Did he produce this book to you every time he settled?

A. He produced all the money he had received on vouchers.

Q. Do you recollect going to Miss Crane with Dr. Angell, with a receipt from a student, and asking her if she knew of any books corresponding with that receipt?

A. That occurred a few days ago, before this committee met.

Q. I asked you if you recollect it?

A. Yes, sir.

Q. Did she produce a book?

A. We found that book and the stub in the case.

Q. Was that since this investigation began?

A. No, sir; a few days before the investigation.

Q. Was that the first time you had ever seen this book?

A. I had seen the books, but I did not notice the fact that it was used as a receipt book.

Q. You knew that such a book had been used as a notice,—not as a receipt book?

A. I knew that such a notice was issued.

Q. The stub that you put your name on was for what amount?

A. I think \$10; I don't know. It will speak for itself.

Q. Do you know whether Dr. Rose used this book any after you put your name on that stub?

A. I don't know. He paid me all the money that he said he received, and it was paid on regular vouchers and paid every day. I acted under the instructions of the committee to collect the money that he had received every day, and whatever was collected was on the regular vouchers. The transactions will speak for themselves.

Q. Do I understand you to say that until this time that Dr. Angell came to you with that receipt, a short time before the investigation commenced, you knew nothing of what was called the subsequent payment "stub-books" being used in the laboratory?

A. I have replied to that several times, I believe.

Q. I ask you to see if you distinctly understand the question?

A. I have not the slightest recollection or knowledge of the existence of that book that was being used as a receipt.

Q. Did you have any knowledge of the books being used for the purpose of notifying students to make sub-payments?

A. I had knowledge of the fact that they were using blanks for that purpose, but that it was being used as a receipt book I had no knowledge.

Q. These receipts in the subsequent stub-books were never used as vouchers in making returns, were they?

A. No, sir; not that I know of. I don't think you will find one of them in the package of vouchers.

By Mr. Phelps:

Do I understand that this account of Parsons was the only stubless account that you ever knew anything about?

A. No, sir; the only recent one; that was within three or four years.

Q. Before that were they stubless accounts?

A. Occasionally one previous to '69. Since 1869 it has not been the case.

Q. If these stubless accounts occurred previous to '68, and you were in the habit of letting students start an account without making a subsequent deposit—

A. I beg your pardon. I don't think there are stubless accounts except for apparatus, or something of that kind.

Q. I meant for students.

A. I beg your pardon; I didn't understand your question.

DR. PRESCOTT RECALLED—FEB. 26.

By Mr. Taylor:

Q. When was the list of vouchers surrendered contained in the "long book," first shown you,—was it before or after the examination at Dr. Douglas' house? And if after, how long after?

A. It was after that examination. I can't say positively how long after; possibly the day after, possibly the third day after.

Q. When this "long book" was first shown you were the red lines drawn across the page?

A. My recollection of the list is that of a simple list of names. I remember the longitudinal colored rules. My recollection is that there were no footing rules.

Q. Did you notice any spaces between the names?

A. I don't remember about spaces.

Q. Would you have noticed them if they had been there?

A. I would not be sure about that.

Q. Are you sure you did not see those red lines?

A. I am. I have a picture in my mind, a pretty clear conception of a plain clean list of names, and it seems to violate that conception altogether to have those red lines across.

Q. If those red lines were not in there, there was a space there,—was there not? See if there has been any erasure.

A. There is apparently no erasure. I see no signs of any.

Q. You are certain that there were no red lines on that book when you saw it?

A. I am pretty certain there were no red lines. About spaces I do not remember.

Q. State what you know in relation to \$100 extra paid by Dr. Douglas to Dr. Rose in '68 or thereabouts.

A. I remember that the year before, Dr. Rose's salary was advanced to \$800 by the Regents. It must have been at that time or thereabouts, that Dr. Douglas mentioned to me during the year that it was understood that Rose was to have something additional in case—

Q. This is what you know about his receiving \$100,—in relation to the \$100 paid by Dr. Douglas to Dr. Rose in '68 or thereabouts?

A. I have no direct personal knowledge. I did not see any money paid. I was trying to state what I did know, somewhat indirectly in the matter.

Q. What was it?

A. There was an understanding that he was to be paid something besides the \$200 previously fixed upon out of the laboratory fund, providing the fund would warrant it and the Regents would not object. I have a recollection, a strong impression, that at the end of the year I understood that \$100 had been paid,—I cannot say from whom.

Q. When did you first receive this impression?

A. I have had that impression since that time if I recollect it.

Q. State to the committee what you know from personal observation of the manner in which Dr. Douglas had supervised the various works of construction connected with the University.

A. Works of construction; he has supervised them pretty minutely by personal attention more or less.

By Mr. Mills :

Q. Will you specify some of those works as you go along?

A. I remember when the large boiler was put in place for heating the medical college he was in attendance as soon as the workmen were; that is, so I understood. I never got there as soon as the workmen did,—seven o'clock,—myself, but he was there when I was up there, and I understood he was on hand when the workmen got there, not throughout the day but a good share of the day, most of the time; and some such attendance as that (personal oversight of the workmen) has been his practice in the building of the medical college. I recollect he was there early and late and continuously. I cannot recollect the several works of construction that he had. Had pretty close oversight of those works which have been largely done in vacation. The medical college was built at least partly in vacation.

Q. The works have generally been constructed during vacation?

A. Many of them.

Q. Do you know any that were constructed during school time?

A. I don't know of any that were done wholly in term time. Some of them ran along a little past the first of October,—were not completed at the opening of the term; some of them began before the close of the year,—generally ran through vacation.

Q. Please state your opinion as to whether it was necessary for some one connected with the laboratory to visit New York yearly and look after the selection of apparatus and supplies.

A. In my opinion it was highly desirable.

Q. Could it be done just as well by letter?

A. Not just as well; not without incurring a good deal more loss than the expense of going. Furthermore, there are new forms of apparatus from time to time coming out, which gives an advantage in visiting the source of supplies, besides the advantage of saving costs.

Q. Please state as briefly as possible the necessity for pure chemicals for use

in the laboratory, and the difference between the article which is chemically pure and one which is pharmaceutically pure?

A. The necessity for pure chemicals in analytical work is absolute. It is impossible to hold students to good results if we give them impure material. It is destructive of all discipline, of all requirement of fixed standard in analytical work. Analysis becomes a study almost without experimental verification unless they can have good material. There is a grade of chemicals in the drug trade generally termed "chemically pure," which cannot be relied upon as being chemically pure. The term "pharmaceutically pure" or "medicinally pure" would generally be referred to a grade still below that,—a grade in most instances not to be used in analysis at all. But of the so-called "chemically pure" articles in the drug trade for sale by dealers in drugs, the majority are not pure enough to use. Professor Bedford, of New York, for example, made some analyses of the so-called "chemically pure" mineral acids,—sulphuric, hydrochloric, and nitric. Of six samples of the sulphuric one contained lead, one contained iron, five contained nitrous acid; of six samples of hydrochloric acid three contained iron, two contained free chlorine. The majority of the samples of sulphuric acid and of hydrochloric acid were below standard as indicated by specific gravity. In some original work that he has done at our own laboratory by Otis B. Dickinson, samples of "chemically pure" sulphuric acid obtained from the drug stores of this State were examined,—five in number. Three of them contained arsenic, one in more than traces, one contained a trace of lead, two contained traces of nitric acid, two traces of nitrogen oxides, and two contained organic matter.

By Mr. Hinchman:

Q. Explain what you mean by "a trace."

A. By "a trace" is meant a quantity qualitatively recognized in such an application of tests as would be made in ordinarily good qualitative analysis. The same tests were applied by Mr. Dickinson that are found in our qualitative analysis, and hence it would be impossible to test any material for arsenic in traces with the use of this acid, because the traces would always be found. The requirements of the U. S. Pharmacopœia to filter diluted sulphuric acid in making it up shows the presence of lead, is pre-supposed.

By Mr. Mills:

Q. What do you say where there is simply a trace with regard to quantity?

A. The quantity would vary in different instances.

Q. What I wish to inquire, professor, is whether when you speak of "a trace" you do that with reference to the quality without any reference to the quantity at all?

A. Yes, sir.

Q. You take no cognizance of quantity when you speak of "a trace," I suppose, in poison for instance?

A. We take no cognizance of quantity sufficient to give indication by tests made in good quantitative analysis.

Q. When you say you found more than a trace, you mean you found in some definite quantity?

A. No definite quantity was ascertained. A good deal more than would be necessary to reveal its presence. Mr. Bradford's report would be found in the proceedings of the American Pharmaceutical Association for 1874, page 429. Mr. Dickinson's report will be found in the American Chemist for August,

1875. These reports are such as come to my hands representing facts very well known to analysts at the present time.

By Mr. Taylor:

Q. Since your connection with the laboratory what rule has governed it with regard to the price of chemicals to students?

A. The price list of New York dealers has been understood to be the standard,—that price list representing in some instances the sale in small quantities. I supposed that understanding was general with instructors and students alike.

Q. What was the ordinary bearing of Dr. Douglas to his subordinates? What was the character of the relation between him and them?

A. I have not known that there was anything peculiar or unusual about his bearing, or their relations to him,—those of professors to their associates and instructors in colleges generally. They have been agreeable, so far as I have known,—except perhaps in one instance, before I fairly became connected with the laboratory. That I was pretty well cognizant of,—as to Professor Dubois.

Q. Since you have been in the laboratory have you had anything to do with the keeping of the books?

A. I have not.

Q. Never have given an instruction in reference to the manner of keeping them, or suggestions?

A. I think not.

By Mr. Hinckman:

Q. Were you in the laboratory when the last addition was put up?

A. I was.

Q. What months was that put up in?

A. I cannot say positively when it was raised. It was going on all summer, I believe, pretty much. Whether the tables were ready the first of October or not I won't be positive.

P. You don't remember the months?

A. My recollection is that it was going on all summer.

Q. In what months were the materials fitted up?

A. I cannot say definitely. It was the latter part of the summer, I think. I can't say whether it was done the first of October so that we could occupy the whole of it or not. I think, perhaps, I could by a little time recall it, but I cannot now this moment, whether we set men to work the first of October on all those tables or not. Seems to me we did not, but I may have in mind the middle room. I was there when that was built,—nearly done, I think.

Q. The chemicals and materials which came to finish the fitting up of that room,—what time did they arrive?

A. The chemicals,—you mean the table apparatus?

Q. Yes. The chemicals also came in the same bills?

A. The permanent bottles for the tables came late. I remember we had to put in temporary bottles.

Q. How late?

A. After we had been running some time.

Q. How many months?

A. Several months after the term commenced we had in temporary bottles with temporary labels upon them. I know it annoyed us considerably the delay,—the enameled labeled bottles.

Q. Who assisted Dr. Douglas in fitting up the inside?

A. Furnishing the tables?

Q. Yes; and fitting it up.

A. I don't know that any one assisted him in the direction of the plumbing and piping and the construction of the tables. It is the business of instructors generally to attend to the furnishing of the tables. It has to be done alike every fall for all the tables in the laboratory.

Q. Was that fitting up done after the classes had assembled in the other part of the laboratory?

A. There was some labeling of re-agent bottles done, I think, after the term commenced. We waited for the enameled labeled bottles we had to get, with several changes and make-shifts, my recollection is.

Q. You speak about the steam-heating work,—the boiler, I believe?

A. I spoke of it.

Q. Were you familiar with the work?

A. The large boiler that heats the medical college—I observed that it was going on from time to time. I had nothing to do with it myself.

Q. Do you know that any of it was taken down and done over the second time?

A. I don't know anything about it.

Q. Can you tell what amount of chemicals were bought on these trips to N. Y. in different years?

A. Not definitely.

Q. What amount would you think?

A. A good share of the year's stock,—sometimes the most of the year's stock, sometimes a part,—half or two-thirds.

Q. What do these bills amount to?

A. I can only state that in a very general way. I have an understanding that the material in the laboratory has cost from \$3,000 to \$4,000.

Q. Those purchased in New York at the time the doctor was down, how many purchases do you know of—do you know what those goods amounted to?

A. I do not.

Q. Did you ever see the bills?

A. I have sometimes seen some of them,—a good many of them. I never collected them or looked them through.

Q. You don't remember the amounts of them?

A. I don't remember the exact amount of any one of them, nor the total amount for any year.

Q. Do you think they amount to over \$2,000?

A. I should presume not always,—sometimes less than that. You refer to bills purchased just when he was present?

Q. Yes.

A. Coming on from that time?

Q. Yes.

By Mr. Taylor:

Q. Do you know whether the acids manufactured by Powers & Weightman, of Philadelphia, are pure or not?

A. I know that we have a good deal of trouble in the analysis and the use of the goods from Powers & Weightman.

Q. Do you know whether they are pure or not?

A. Not directly. I have no personal knowledge that anything has ever been got from Powers & Weightman. I have a general understanding. I have seen

some of the bills, I suppose; but I suppose I depend upon somebody's understanding that certain goods belonged to these bills. I did not come with the bills all the way from Philadelphia here. I could not answer that they were the same goods. I suppose I would be willing to swear that they all came from Powers & Weightman. I do not know, of any positive knowledge, that this is the city of Lansing; I never was here before to-day. I have understood it to be the city of Lansing since I came.

By Mr. Hinchman:

Q. Why were the goods returned to Rohrbeck & Goebeler?

A. From time to time there have been goods returned to Rohrbeck & Goebeler that were not good.

Q. Large quantities, or small?

A. Variable quantities almost every year, as I understood.

Q. You don't know about it yourself, then?

A. Yes, I know of it by observation, common understanding. I did not go with the goods back.

Q. Were those imported goods or American goods?

A. I don't know.

Q. You don't know whether they were bought or imported chemicals?

A. I think rarely imported chemicals have been sent back. In one or two instances imported apparatus has been sent back.

Q. Did Mr. Douglas buy American goods of Rohrbeck & Goebeler?

A. Sometimes, I suppose; that is my understanding. That is, by order or otherwise. They have been received from Rohrbeck & Goebeler.

Q. Did you know about American goods?

A. Supposed to me American goods.

Q. Did you know about it, whether they were or not?

A. No. I think those goods simply have Rohrbeck & Goebeler's label upon them, without any foreign label upon them. We have understood them to be American goods generally, without Merck's label on them.

By Mr. Mills:

Q. Were there any articles manufactured in the chemical laboratory generally for the use of students?

A. Yes: certain articles,—in fact, quite a large number of reagents, in one sense, were manufactured there, if we call the preparing of a solution of definite strength the manufacture of a liquid reagent.

Q. Were any of your gases used manufactured there?

A. Solution of hydrosulphuric acid and ammonium sulphide were manufactured altogether there, and some few other articles.

Q. In this book there is a charge made to the students for gas; is that meant to include all the gases?

A. Illuminating gas, I suppose, is what we should understand by the word "gas" in the laboratory as material for students' use.

By Mr. Phelps:

Q. Have you any means of knowing how much of these chemicals were manufactured in this country and how much in the old country? Had you any personal knowledge or any personal means of knowing?

A. I have means of knowledge. It might not be certain means in every instance, but in many instances would be the general reliable means of knowledge.

JAMES C. WATSON SWORN.—FEB. 26.

By Mr. Taylor:

Q. How long have you been connected with the University?

A. Nearly 20 years.

Q. In what position?

A. I was professor of astronomy one year,—from 1859 to 1860; I was professor of physics from 1860 to 1863, and from '63 to the present time I have been professor of astronomy. My first appointment was in '57, two years as an assistant professor, from 1857 to 1859, and then in '59 as a professor.

Q. Have you ever heard of any irregularities or trouble in the laboratory department with regard to the keeping of accounts?

A. Not until this present case was developed and published.

Q. Did you ever have any conversations with Regent Climie in regard to an article that appeared in the Ann Arbor Courier?

A. I did.

Q. State the conversation.

A. I met Mr. Climie in a tobacco store in Ann Arbor and had a general conversation with him about the investigation, which was then being conducted by a committee by the Board of Regents, either in May or June last,—I can't tell which; my impression is that it was in June; and in the course of the conversation I asked Mr. Climie if there was any foundation for the statement that had been made in Mr. Beal's paper to the effect that Dr. Douglas had asked him to find out how much the defalcation was and he would draw his check for it, and begged him to protect his family, or something to that effect. I don't remember exactly what the statement was in Beal's paper, and Mr. Climie said it was wholly without foundation; there was no foundation whatever for it. He said he could not imagine how any such statement was made unless it was based upon a conversation which did occur between him and Dr. Douglas, which he went on to state. He said Dr. Douglas came to him by the vault door and said to him in substance this: that it might be that there were some of those vouchers that had not been returned to him, for the deposits were in his hands. If there were any such, and he found them in the course of his investigation, if he were to tell him how much they were he would pay them. I asked him whether there was anything said about his family, and he said, "Nothing of the kind; not a word of truth in it." That is just what he told me.

By Mr. Kelley:

Q. Where did you have that conversation?

A. In the tobacco store of Mr. Lovejoy, in Ann Arbor, next to the News office.

Q. About what time?

A. I should think it was about 7 o'clock in the evening. I know how I came to be in there. I went to the news office to get the evening paper, and they were all gone, and I went into Lovejoy's store to see the paper.

Q. What month?

A. That was in June last: it might have been the last of May, but my recollection is that it was in June. It was at the time the Regents were investigating.

Q. Any other persons present?

A. There were several persons standing about there. When I went into the

store to see the paper Climie was in conversation with Mr. Beal in the back part of the store, and after Beal came out Mr. Climie came and went into conversation with me. I might say further, that Climie told me to tell McGowan of this statement, and I did tell McGowan in the President's office, and McGowan then said he had seen Mr. Climie himself, and that Mr. Climie had told him the same thing. I told McGowan in the presence of the President and Regent Grant, the next day after this conversation.

By Mr. Taylor :

Q. You have a libel suit pending against Mr. Beal,—have you not?

A. Yes, sir; no I have not. I have had one suit. I have been interested in two. I have had one suit with Beal, and I have been interested as a party with another.

By Mr. Kelley:

Q. Did you ever tell anybody else of this conversation with Climie?

A. I met Mr. McGowan in the President's office. Climie told me when we were settling that night that I might tell McGowan for him, and I did so the next day in the President's office in the University. McGowan said he had seen Climie and he told him the same thing, and I am sure Regent Grant was present,—pretty positive of that.

Q. President Angell?

A. Yes, sir.

Q. Did he hear it?

A. I think so; it was done right there in the room.

Q. Have you told it to anybody else?

A. I presume I have told it to 40 people.

Q. Did you ever tell it to Dr. Douglas?

A. Yes, sir; I told it to Dr. Douglas a week ago, I think.

Q. Is that the first time you ever told it to him?

A. That is the first time I ever told it to him. I saw in the Detroit Advertiser a report that Climie had testified before the committee to substantially what was in Beal's paper, and I met Dr. Douglas one day when he was passing through the campus, and asked him if it was possible that Climie had given any such testimony, and he said "hardly so strong as that;" and I told him then this conversation I had had with Climie. That was the first time I ever told him. That was the last week, I think,—about the middle of the week.

Q. Can you give pretty nearly the language of Regent Climie in reference to keeping the matter secret?

A. I never heard him say anything about keeping anything "secret." I was present in the office almost daily when he was making the investigation. He showed me a great many things.

Q. I am speaking of this conversation you testified to in regard to the deposits.

A. Oh, no; nothing was said about keeping anything secret.

Q. Didn't say the Doctor requested him to do so?

A. He said that part of his story was not true; that the only foundation was this conversation which he said took place near the vault door.

Q. In giving that conversation did Regent Climie say anything about the Doctor requesting him not to make it public?

A. I asked Regent Climie this question (we had been in conversation a half

an hour, perhaps, about these matters), the conversation began in this way:—
Shall I tell you the whole conversation?

Q. Yes.

A. The conversation began by Climie saying that Beal had just been taking him to task for some testimony he had given before the Regents, but he said he meant to tell the truth whether it pleased this man or that man. That was the beginning of the conversation. In the course of the conversation I asked him whether that statement in Beal's paper was true, and he said, "No, sir; it is not true." He said there was no foundation for any such statement as that.

Q. Give us the language in reference to that.

A. I can't tell exactly what he said, but I can tell you the substance. It was this: That Dr. Douglas came to him by the vault door and said to him that there might be some accounts where the deposits were in his hands, but where he had never settled with the Regents on the certificates; and that if there were any such, if Climie would tell him how much, he would pay it. That is almost exactly as he said it; and when we separated he said to me, "You may tell Mr. McGowan this," and I did. I told him just as he requested it, and I told McGowan the next day. I regarded that as a sort of message from Climie to McGowan.

JOHN CARRINGTON SWORN—FEB. 26.

By Mr. Taylor:

Q. Where do you reside?

A. Ann Arbor.

Q. How long have you resided in Ann Arbor?

A. Since 1849.

Q. When did you first enter into the employment of the University?

A. 1854, the last part of August. I am not sure of the exact date.

Q. Who employed you?

A. Mr. Vance was Superintendent at the time.

Q. Had you previously known Dr. Douglas?

A. Yes, sir.

Q. State the circumstances connected with your first employment?

A. My first employment was to go on there to do the carpenter work and general repairs of the building. The students then roomed in the building, and it was my employment to keep everything in good repair in the students' rooms and throughout the University,—anything that wanted doing, carpenter work, planning, setting glass, or anything of the kind.

Q. When were you first employed as janitor of the laboratory?

A. I don't remember the year: I think, however, it was about three years after I was first employed in the University. I don't remember exactly how long.

Q. How long have you been employed in this capacity and in the capacity of engineer.

A. Do you mean separate from the other department?

Q. No; together.

A. Since '54.

Q. Has Dr. Douglas been connected with the laboratory ever since your employment?

A. Yes, sir.

Q. State, as near as you can, what buildings have been erected and the im-

provements made under the direction of Dr. Douglas, that you have personal knowledge of?

A. The first building was the first part of the chemical laboratory. Dr. Douglas superintended that. The next building that was put up was the wing to the medical college, and then the next was the east addition to the laboratory, and the next was the reading-room, and the next is what we called the "middle room" of the laboratory, and then the south wing of the laboratory, and then the water works last. I don't remember anything else.

Q. At what time of year have these improvements been mostly made?

A. The first part of the laboratory was commenced in May. The lumber was placed on the ground, the bricks, and such things, in the fore part of May.

Q. By day labor or by contract, have they been erected?

A. By day labor.

Q. State the manner in which Dr. Douglas has supervised this work, and the time he has devoted to it, and any other circumstances connected with the supervision that will show the committee the manner in which he has performed this duty.

A. The first part of the laboratory was put up by the day, I know, because I was paid by the day, and I know the other men were paid by the day; but there were some parts of the building that went up and I was not connected with them; I did not work on them. I did not work on the medical college, and I do not know whether it was by the day or by the contract.

Q. Answer this question I asked you with reference to the manner in which Dr. Douglas has supervised the work.

A. Do you mean me to tell you what I thought of Dr. Douglas as superintendent of the work?

Q. Yes.

A. I worked on the laboratory, the first part of it, myself,—the carpenter work. I had charge of the carpenter work at that time, and I thought from the very first that Dr. Douglas was a competent man, of course, to do the work as superintendent; and he was a very close worker; worked very close in material, in buying material and watching the work going up. In fact, he spoke to me about it that when a man came on (the carpenters; I did not know anything about the masons),—that when the carpenters came on, any man that was not doing a fair day's work,—was not doing his work well, I was to report them to him, and he was to be discharged; and there was one man that was reported to him that was discharged,—that did not do a fair day's work.

Q. As a carpenter and joiner and builder what is your opinion of the faithfulness and efficiency with which he has discharged his duty in the supervision of the building of the University work?

A. I have worked on a great many jobs like that. I never saw work attended to better as a superintendent. He attended to the work right through. He was very particular in having the work done well, and having good substantial work.

Q. Since you have been connected with the University have you ever known a single vacation on which he has not discharged more or less duty in the supervision of works of various kinds?

A. I could not say. I know a great many vacations in which he has superintended. I do not know whether there were any that he did not superintend.

Q. Has he to your knowledge been absent from the College during vacation for a long period of time?

A. No, sir; I never knew him. I think he went on the lakes at the time of the accident or collision on a steamer. That one time I remember,—the only time of his going away any length of time during vacation. I would not be certain about that, but he has mostly, to my knowledge, been on the ground superintending the work, almost always during vacation, the whole time excepting his going down to New York to buy chemicals.

Q. About how long a time has he been absent in the purchase of chemicals?

A. I could not say.

Q. Have you ever had any difficulty or received any hard words from Professor Douglas?

A. Only once; he never gave me an angry word only once during the time I have been there, and that he thought was on account of neglect. An accident happened with the furnace. The bottom part of the furnace cracked, and it dropped through, and it set the floor on fire. I was not in the room. Dr. Douglas went down and found the floor was on fire, and he spoke very angrily to me about it; and when we examined we found the furnace was cracked and the fire down. That is the only time that Dr. Douglas ever gave me an angry word in the University.

Q. Have you ever seen anything in Dr. Douglas' conduct toward his subordinates that would lead you to suppose he was a hard master with persons who were faithful in the discharge of their duty?

A. I have never known Dr. Douglas to have any difficulty with any one. He has always been pleasant to me and pleasant to those around, as far as I have seen.

Q. Have you ever known him in the supervision of contracts or days' labor to overlook or disregard the shortcomings of contractors or laborers?

A. No; I have never known him to overlook that. I have known him to be always very strict in having work done well.

Q. Have you been acquainted with Dr. Rose?

A. Yes, sir.

Q. What do you know of Dr. Rose's manner of doing business while connected with the laboratory,—as to his faithful discharge of the duties devolving upon him?

A. I have never seen anything wrong about Dr. Rose. Never saw him neglect his duty that I know of.

By Mr. Kelley:

Q. Did Dr. Rose usually work there during vacation?

A. Sometimes I have known him to be absent through a vacation,—the most part of it; very often so. Sometimes he had a class there in the summer; several summers.

Q. A private class?

A. Yes, sir.

Q. Did you ever know him to work for the University in the summer?

A. No, sir.

Q. Did you know professor Du Bois?

A. Yes, sir.

Q. Was he contented in the laboratory?

A. Not very much, I think. He did not seem to be very much contented. He was not a very contented man, I used to think.

Q. State what you know about his connection with the laboratory?

A. Du Bois was there when the first part of the laboratory was built. He was one of the first professors there.

Q. You say Professor Du Bois was not contented. Was not Dr. Douglas always contented?

A. I know Du Bois was not, because I heard of him.

Q. Did you ever hear any conversation between Professor Du Bois and Dr. Douglas? If so, state it.

A. Professor Du Bois seemed to be very discontented, and seemed to be very peevish, and had angry words with Dr. Douglas. If you wish me to state what I know about it I will state. I don't know a very great deal. I remember Dr. Douglas coming in and he spoke to Du Bois, and Du Bois spoke very angrily back to him. Dr. Douglas said, "Why is it that you are so angry? It makes it very unpleasant for us both,—getting so angry;" and I know that Du Bois told him that there was something in the catalogue (his name was wrong in the catalogue), and Dr. Douglas could have had it put in differently if he had a mind to, and Dr. Douglas said if he could he would change the name so that it would be right.

DR. DOUGLAS RE-CALLED—FEB. 26, P. M.

Witness—I first desire to explain with reference to the question that was asked me by Mr. Hinchman, which was this: Whether at some time or times the bill for apparatus in New York made by me were in the neighborhood of \$200 or thereabouts. Correct me if I am wrong. I want to explain with reference to that that I usually went to New York in the month of August, and I did not have the goods shipped from New York purchased at that time until they were needed in the laboratory. I expressly stated to all these parties where large bills of purchase were made, that I wanted those goods shipped so that they would reach me on or about the 1st of October. I did not wish to pay for them any sooner than that, and whatever orders I made, I desired to have the goods sent on or about that time.

By Mr. Hinchman:

Q. Please take the reports and give us the amounts you bought when you were down there from year to year, commencing with the last ones.

A. I am afraid I will tire you out. If you will allow me to have the reports this evening I will write it up. The bills are all here; there will be no difficulty in finding that out.

Q. You stated last Saturday that they were \$4,000 or \$5,000 a year. I want you to state from your reports what they actually are?

A. Without being able to give anything definite in looking at the bill, I should think they are from \$3,000 to \$5,000 a year,—eastern purchases.

Q. It won't take you long to take the four last years separately. You can state them. That won't take you a great while. In the first place state the amount charged for going to New York, and the amount you purchased when you were down there.

A. My son could pick all those out for you. I do not want to keep you here an hour or two picking that out.

On pages 27 and 28 of Dr. Rose's testimony he makes some statements: "I then took the stub-book for the same year and turned to that and showed him

that Little had a stub, and that the stub was red-lined, and said to him that he must have the ticket somewhere. I said to him at the same time that the other three—Pantlind, Thomas, and Hubbard—had no tickets, and never had; and I asked him at the time if he would not look if he could find the tickets somewhere which had been turned over to him. He said he had looked and could not find it. I said to him that I had a memorandum book which I endeavored to keep during the year of the tickets turned over to him from time to time, but I was not sure even that was correct,—that it had in it all the names, and he asked me where that book was; would like to see it.”

I wish to say with reference to that statement that it is not a correct representation of what transpired between us; that when the names of Pantlind, Thomas, and Hubbard were submitted to him he made no question as to the delivery of the ticket; but as I have already furnished me the memorandum of the tickets or indebtedness which has been placed here as an exhibit, that he did not on that occasion furnish me with a list of tickets that he had turned over for a year, but that he did, two or three days later, the lists of tickets that has been alluded to in the “long book,” which was after the second or third installment of tickets submitted to him, that was turned over. He went to his desk, took that book from his desk and handed it to me, and I immediately took it to Professor Prescott and showed it to him, and went from there to Dr. Angell’s and submitted it to him.

“He asked me to see it. I told him that the book was at my house, not at the library, but I told him that I would bring it up the next morning. He said ‘very well; I would like to see it.’ He left my desk at that and went to Prescott, to his table, that is immediately across the room from me, and had some conversation with him,—what I do not know; and then ordered the janitor to take the books to his house.”

By Mr. Phelps:

Q. Haven’t you testified to these things once before?

A. I have.

Q. I do not see the necessity of going over it again.

A. If the committee wish me to allow this statement to go uncontradicted—

Q. If I understand it, you have already contradicted it in your direct testimony. It seems to me this matter would be endless if we go on in this way.

By Mr. Kelley:

Q. If the Doctor wishes to contradict any testimony of Dr. Rose it would be proper.

A. To save repetition and to save time, I will state, on the questions of annual settlements—I shall confine all I have to say to the year ’73-4. I wish it distinctly understood that I make no scheme of annual settlements. In the year ’73-4 I have before me a list of the stubless accounts, the page of the ledger, the date of settlement, and the amount of those accounts. The list is a complete one, and I will leave it with the committee; and I believe with the exception of one account, it compares with the accountant, Mr. Tregaskis. In some way we differ on the account of \$2.40, but I think myself I am right in reference to it. The list of stubless accounts foots \$636.65. The items of those accounts are given as I have them here:

STUBLESS ACCOUNTS 1873-4.

Name.	Ledger Page.	Date of Settlement.	Amount.
Dietz.....	216.....	March 6.....	\$14 95
Hunter.....	264.....	June 14.....	10 15
White.....	267.....	June 20.....	18 45
Weaver.....	276.....	May 26.....	43 10
Moore.....	283.....	.....	4 05
Lowrey.....	286.....	December 12.....	4 25
Michael.....	294.....	June 12.....	38 85
Search.....	305.....	June 12.....	30 40
Cudy.....	297.....	June 12.....	34 25
Fritz.....	304.....	June 12.....	33 10
Fritz & Duncan.....	280.....	June 19.....	7 45
Smith.....	322.....	.....	20 50
King.....	326.....	March 10.....	14 40
Sims & Richmond.....	327.....	October 6.....	1 10
Walsh & Smith.....	330.....	September 29.....	3 20
Alleman.....	346.....	March 24.....	1 90
Everett.....	361.....	June 15.....	18 85
Watson.....	.....	March 16.....	4 50
Senier.....	375.....	June 10.....	27 40
Pugh.....	376.....	June 22.....	6 15
Stockwell.....	388.....	June 20.....	5 00
Henry.....	.....	June 19.....	7 50
Durstine.....	396.....	April 30.....	4 10
Pugh.....	403.....	June 22.....	10 75
Ehrhardt.....	405.....	June 22.....	6 80
Wood.....	406.....	June 8.....	13 05
Wilmarth.....	112-244.....	June 10.....	8 05
Crane.....	206-419.....	June 11.....	1 75
Jones.....	.....	May 29.....	42 15
Pugh.....	.....	June 22.....	34 45
Ehrhardt.....	.....	June 22.....	38 45
Duncan.....	.....	March 5.....	44 85
Bartlett.....	225.....	May 13.....	10 95
Johnson.....	206.....	June 23.....	11 55
Burton.....	253.....	June 17.....	17 20
Otte.....	254.....	April 10.....	16 45
Wilber.....	.....	.....	24 20
Kingsley.....	.....	.....	2 40
Total.....	.....	.....	\$636 55
Stubless accounts according to Rose.....	.....	.....	536 55
Difference.....	.....	.....	\$100 00

Dr. Rose, in his statement with reference to the settlement of that year, makes the stubless accounts \$536.55, Just \$100 difference. His statement of what he calls sub-payments on forfeited accounts for the same year '73-4,—his list gives: Bowers \$20, Bartlett \$30.95, Earle \$35.05, Gunn \$5.80, Huntington \$10, Logan \$7.75, McCullouch \$19.75, Sims \$1.10, Thum \$10, Van Meter \$19.15; making in all \$159.55. The actual payments on such accounts amount, according to my own figures made with a good deal of accuracy, to \$376.50. Adding, as he does in his statement of the account, the accounts of Stephens, Takemora, and Cady, his account of the accounts of that year would be \$653.25, making here a short statement of \$113.25. His statement is as follows,—the subject [?] and summing up: Stubless accounts \$536.55, whereas it should be \$636.55,—an error doubtless in the footing of the stubless accounts, inasmuch as it amounts to exactly \$100; and if he has made that \$100 more than it was, it might have saved him some trouble in looking up other accounts to make up the amount of \$1,290. Sub-payments \$376.50 instead of \$253.25;

vouchers surrendered \$294.45; correct vouchers paid for, \$206.23: correct. The summing up would be \$1,290.48. He makes it \$0.18. I do not know how the \$0.18 came in which was paid, as he says, by check of \$1,290 and the change of \$0.18. The fact was, to have settled up the complete accounts of that year would have required him to have paid \$223.73 in addition to the \$1,290. Now, in that statement of his account (the subsequent payments on forfeited accounts) there also occurs the account of McCullough, that was settled on the 16th of February, '75, about seven months after he claims to have paid it to me,—\$19.75. His own statement shows this point. With all these discrepancies in his statements, I think I am fair to conclude that such a settlement never took place on the 26th of June. If you will hand me my private books I will show you what the settlement was. I think the statement of Professor Rose, of the manner in which these wrappers were prepared,—at least some of them,—is a correct one; that is, that they were prepared in expectation of my coming into the laboratory. What he says with reference to the settlement of wrappers 2 and 7 at the same time,—the memorandum upon them shows that they were settled at that time. I deny that wrapper 4 was settled on the 13th, and that wrapper 11 was settled on the 19th; and do state—and I think I have the evidence of my own private book to that effect—that the original entries that were made here on the wrappers 1, 3, 4 and 11, including apparatus wicket, was settled on the 26th of June; and I find the entries on the 26th of June as follows: apparatus voucher, which has a date of the 26th of June, is entered first in order, \$206.23; then a wrapper containing vouchers for \$361.90 is entered next; then \$573.45, then \$385.35, then 454.15, and 403.50, hence I claim that these entries showed that the settlement that covered the check of \$1,290 was intended to cover the amount contained in these wrappers; \$206.23 apparatus voucher, \$253.50 number 1; \$358.45 number 3; \$215.35 number 4; and number 11, \$294.45; making \$1,327.98, the total payment for that time. To pay that amount he gave me a check of \$1,290, which, according to his testimony, embraced nearly all the money he then had within \$3 in the bank. He gave me undoubtedly currency to the amount of \$37.98. I have no doubt but that in going over the other years, if we were to consume the time necessary to do it, we would find a similar condition of things.

I submit the papers as they are as follows:

SUB-PAYMENTS ON FORFEITED ACCOUNTS, 1873-4.

NAME.	Date.	According to Rose.	According to Douglas.
Bowers	Feb. 19	\$20 00	\$20 00
Bartlett	Feb. 6	30 95	20 00
Earle	June	35 05	35 05
Kane (Gunn)	June	5 80	.....
Huntington	June	10 00	10 00
Logan	June 13	7 75	7 75
McCullough .....	.....	19 75	19 75
Sims	Oct. 6	1 10	.....
Thum	Nov. 21	10 00	10 00
Van Meter	Feb. 24	19 15	19 15
		<hr/>	
		\$159 55	\$141 90
Stephenson	June 12	32 55	32 55
Takemora	June 5	36 90	36 90
Cady	June	24 25	Canceled stub
Gunn	June 5 .....	.....	5 80
Strong	March 12 .....	.....	16 40

NAME.	Date.	According to Rose.	According to Douglas.
Moss	May 26 .....	.....	\$52 35
Henry	Dec. 1 .....	.....	16 85
Lockwood	April 13 .....	.....	38 40
Coad	March 18 .....	.....	30 70
Chambers .....	.....	.....	4 75
Total .....	.....	\$253 25	\$376 50
			253 25
Difference .....	.....	.....	\$123 25

SUMMARY OF SETTLEMENTS 1873-4, ON ROSE'S BASIS, JUNE 26.

	Douglas.	Rose.
Stubless accounts	\$636 55	\$536 55
Sub-payments	376 50	253 25
Vouchers	294 45	294 45
Apparatus	206 23	206 23
	\$1,513 73	\$1,290 48
Deduct check	1,290 00	1,290 00
	\$223 73	48

SUMMARY OF ACTUAL SETTLEMENT ON JUNE 26TH, 1874.

Apparatus	\$206 23
Package 1 vouchers	253 50
Package 3 "	358 45
Package 4 "	215 35
Package 11 "	294 45
	\$1,327 98
Deduct check	1,290 00
Paid in currency	\$37 98

Q. Is that settlement in June, '74?

A. 26th of June, '74. I see I have it entered on the 25th of June,—undoubtedly an error in the date, but they were taken immediately from him and taken to my home and entered.

On page 101 on his testimony he makes a statement. It was stated on Saturday, I believe, that there were stubless accounts that appeared in my report as credited to the University. An examination of that account, such examination as I could make, I find that these accounts were stubless accounts, and they are also delinquent accounts; they are the accounts of Bowen, Brainard, Nichol, and Calvert, I think,—accounts of that kind,—delinquent accounts and stubless accounts. I don't know where the University has ever had any credit for the stubless accounts.

Q. That is, the accounts you testified to?

A. Yes, sir. The testimony of Rose in connection with the McCullough account,—I show the committee how, according to this testimony, the \$19.75 could not have come in the year 1874. The testimony runs as follows:

“Q. What can you tell about the account of McCullough?

"A. For '73-4?

"Q. Yes.

"A. McCullough has an account on page 210 of the ledger for that year amounting to \$29.75. On September 29, he made a deposit of \$10, and the number of the stub is 57. February 16, 75, not until the next year, he paid \$19.75. He only paid \$10 during the year '73-4."

Which clearly shows that McCullough's account was not accounted for in the year '73-4, but was simply placed there for the purpose of making up that fictitious number 159.55 to cover the check of \$1,290.

I desire to say that Rose never reported to me any forfeited accounts, or any sums except such as I have reported to the Regents. He never reported or paid to me any subsequent payments on forfeited accounts, and I never knew he had received any such subsequent payments on such accounts until since the discovery of the deficiency. Whenever he reported to me an account as forfeited, I simply accounted to the Regents for the \$10 on the original deposit. He never reported or paid me any stubless accounts since '67. There are probably very few accounts in '68-9, when I received the amount from him without insisting upon a certificate voucher, as Rose stated. Whether any of those were stubless I have not examined to see, but probably they were not. There were but few stubless accounts up to that time. I have had no means of examining this question of whether these accounts that appear only rarely (two or three in a year) were stubless or not. He never paid me any account after July, '69, without at the same time producing a certificate voucher for it. I uniformly insisted upon the vouchers, and when he said it was lost or had not been received by him, I required him to make a duplicate voucher. The records show these duplicates. The books and records of the laboratory show 125 delinquent accounts in the whole period of time in which deposits were made and certified vouchers issued. These accounts appear as settled upon the ledger at or near the time the student completed his course, and should have had the certificate voucher returned. Twenty-eight of the accounts were erroneously returned by Rose to me as forfeited, when they should have been settled in the regular manner, by the return of the proper certificate. Any accounts that appear upon the books as settled up and closed is in no sense of the word a "forfeited account." What we understand by forfeiture, and is always understood by forfeiture, is simply the original deposit sum; does not include any subsequent deposit, or anything of that nature. Those accounts that are thus reported to me as forfeited, many of them, are closed up accounts,—settled up accounts and closed on the books; and if he did not receive a voucher from the individual at the time they were settled, he should have made for that lost voucher a duplicate voucher. The whole course of action between us (of the system of vouchers) becomes a perfect farce unless this is admitted. The number of regularly forfeited accounts, namely, where the account does not appear to be settled on the ledger, was very small in each year, averaging but three and a half in number each year. The actual forfeit accounts,—that is, accounts that students leave without settling up,—the average is only three and a half, by actual examination; and of these three and a half, one and a half were reported by Rose to me, and credited by me to the University; hence the non-receipt of forfeiture reports from Rose gave no occasion for surprise or suspicion on my part of any irregularity. I had no reason to suspect or expect that any number of forfeitures occur in any year, for it was the exception to the rule, two or three a year or on an average of three and a half a year. If one-half of those be reported and the other half

not reported, it did not and ought not excite surprise on my part and lead me to any investigation.

I do not wish to tire the committee with a rehearsal of all this testimony, in going over it item by item and referring to it. I know it is tiresome. It is tiresome to me, and hence I shall not do it. I do not wish to be understood as admitting the truth of the statements because I don't deny them, that is all.

Q. Have you finished?

A. Yes, sir.

Q. When was this \$137.50 erased from that private book?

A. It was erased, I presume, when I made my report. It was transferred to the assistant account.

Q. The same with this one?

A. All of them on that page, I suppose.

Q. When were these entries that you have referred to made?

A. When I took the vouchers from the laboratory to my house, I usually made the entries at that time. I have no reason to suppose they are entered at any other date.

Q. Are there not full sets of wrappers for 1870-1, '71-2, '72-3, and '74-5?

A. I think there are, and I have compiled statements with reference to a part of those. I do not wish to consume the time of the committee by submitting them here. I will submit those that I have if they wish them,—compilations from them. The wrappers are complete, and just as complete as this year with this exception: that a lesser number are in the handwriting of Dr. Rose. Most of them are in my own handwriting.

By Mr. Hinchman:

Q. The committee understand that the entries in that book were made precisely at the date of them?

A. I confess that I am not very exact in dates. I do not do business enough to always keep the run of the month. I see I entered this on the 25th instead of the 26th.

Q. Were those entries made at any time at the same time you made up your annual report?

A. No, sir. I don't know why they should be. I usually entered them as I received them from Dr. Rose. I may have entered them differently, but I don't know why they should be. With reference to those other years of wrappers, I say as my only objection to going into that question of the wrappers of those wrappers, is a question of time. I do not wish to tire the patience of the committee and lumber up the testimony; and hence my figures have been confined to '73-4, and most of my review of the testimony has been confined to '73-4.

By Mr. Taylor:

Q. Since this investigation into the laboratory accounts commenced have you stated to two committees that there were annual statements of settlements made between you and Rose?

A. We made annual settlements,—made settlements annually and made monthly settlements.

Q. Let us have an answer to the question.

A. The last settlement of the year was the "annual settlement," if you choose to call it an "annual settlement;" but as for an annual settlement in the sense in which Dr. Rose gives it, such a settlement never occurred in the history of my connection with the laboratory with Dr. Rose.

[Question repeated.]

A. Not in the sense in which it is expressed there.

Q. There is no sense expressed there,—“annual statement” or “settlement.”

A. I make twelve annual settlements, if you wish to call them so. They are settled monthly,—every month.

Q. Have you not told two committees that there were annual settlements or statements made between you and Rose?

A. It is very likely. I have heard of such things; I do not say that I have not. I have no recollection whether I have used such language. I won't say I have not used such language, but not in the sense in which Dr. Rose has used it.

Q. Were there 12 settlements in '73-4?

A. I don't know how many there were.

Q. Have you never testified that there were 12?

A. I don't know whether I have or not. I can't say whether I have testified to that. If I have said so it was based upon the wrappers that existed there, without any definite knowledge.

Q. If your statement that there were 12 settlements in '73-4 was based upon the wrappers, would not your book have corrected you and shown that there were but five, as you now make it?

A. I don't know how many wrappers or packages there are there, I am sure.

Q. If your statement that there were 12 settlements in '73-4 was based upon the wrappers, would not your book have corrected you and shown that there were but five, as you now make it?

A. I don't know what the book shows.

[Question repeated.]

A. I should have to figure these out to get at a correct answer to that question.

Q. It is right there before you.

A. I seem to have combined the wrappers here in some way. I would like to see my report of that year.

[Question repeated.]

A. It would require the number of course.

[Question repeated.]

A. Those four having been settled at the same time would reduce it one of course.

Q. Do you undertake to say that you had not examined your book before you testified before the McGowan committee? and if you had, why did you testify before that committee that each of these wrappers indicate a settlement?

A. I supposed they did indicate a settlement.

Q. Had you ever examined your book before you testified before the McGowan committee?

A. I think if the fact of the entries in here on this book,—the manner in which the entries were made were brought to my attention the first time since I came to Lansing.

Q. Do you undertake to say that you had not examined your book before you testified before the McGowan committee; and if you had, why did you testify before that committee that each of these wrappers indicate a settlement?

A. I have already said I had not examined my book up to this time. I supposed that each of these wrappers indicates a distinct settlement.

Q. You testified before this committee that each one of those wrappers indicated a settlement?

A. I supposed they indicated a settlement until I heard Dr. Rose's testimony with reference to the memoranda upon two of them.

Q. Does your book show when the other wrappers were settled for, and how many of them were covered by one settlement?

A. No, sir; it does not, so far as I know.

Q. If your book is correct, why does it not show the number of wrappers settled for at each settlement?

A. I don't know any other reason than because it is a scratch-book and is not very accurate in dates.

Q. Had you ever compared the wrappers and your book to see if the settlement of June 26th embraced more than one package?

A. No, sir.

Q. Did you not state Saturday that the reason the large number of forfeits were reported after the discovery of this defalcation was that Dr. Rose did not hand the list of '73-4 to you until July, and therefore it would stand over until the next year after the defalcation was discovered?

A. If you will allow me to take the book I will state just what I did state. I did state, or intended to state, that the forfeitures that appear in my report of '74-5 were reported to me in the early part of the year '74-5, or [for?] it appears here upon my book in November, '74, they were credited to the University in November, '74, or about that time, and credited at the time they were reported to me, and in my interest account does so appear. I said in the early part of that year—I intended to say, I notice by my book that they were given me in November. If I was mistaken I correct it. It is a matter of no account any way. They are entered in the early part of the year,—the earliest part of the year; but I see they were reported to me by my books in November. I supposed they were reported in July, but it seems that they were not; that is, if I can judge from that record. What I intended to state, and what I state now, is that they were credited as they were reported to me, not in '76 or the fall of '75, or after this delinquency occurred, but they were credited to the University some time in '74, as I supposed,—in the early part of '74. It appears from my book they were not credited to the University until November, 1874.

Q. Is it not true that your annual settlement for this year, '73-4, was not made up and handed in until October of that year, and these forfeits could have been included in that report as well as any other items?

A. They are included in that report.

[Question repeated.]

A. It is true that my report was not made out until about the 18th of October, for want of time. I did not get it in at commencement,—the usual time that I make out that report; and as has already been stated here a half dozen times at least—

Q. Then if the forfeits were paid in the early part of the year why could you not have included them in the report?

A. They were included in the first report that was made after they were reported to me, and this report shows it.

Q. These are the forfeit reports?

A. Yes, sir. They were reported in proper season in the ordinary course of business.

Q. Have you not sworn that you always called upon Dr. Rose in July of each year for these statements?

A. I usually called upon him in July for settlement of forfeitures.

Q. These forfeitures were included in your annual settlement?

A. A forfeiture is a deposit upon an unsettled account, and not upon a paid-up account, by any means.

Q. Is this your testimony Saturday: "They were credited in July, 1874, to the University on this book, and all interest account was stopped on those from that date. They were not reported, not credited to the University in 1876 at all, but they came into my report of 1875. There is the original entry of these forfeiture accounts, and it was made, I think, in July, or during the vacation of 1874, after I had made my annual report for that year. They would naturally come into that year, and did come into the year, and had no reference to this delinquency and defalcation whatever,—not the slightest connection with it." Did you not testify so Saturday?

A. I suppose I did; and I state now that this report shows that these forfeitures were credited on the 1st of July, '74. Here is the credit, and the interest computation is made from the first of July, although they were not formally reported to me, as appears by that book, until November, '74, not '75. Here is the credit as of the date of the first of July, '74; and I was making out this very account when the discovery was made that there was something apparently wrong in the laboratory affairs. It had no relation to the delinquency, the credit of this forfeiture at all, and I repeat it.

Q. Now, have you just sworn that these forfeiture accounts were credited in your book in October?

A. In November. I say that the date appears to be November, but I credited them as of the first of July on my report. There is the vacation intervening, and in all probability Dr. Rose did not report them to me until November; and yet I credited them to the University as of July, when I had the money in my hands all through that vacation. I had the money and credited them, and allowed the University interest on them, as the computation shows, as of July. He should have reported them in July. If he did not report them till November, still I had the money in my hands and gave the University credit as of July.

Q. If you did not enter the items upon your books at the time you received them, how do you know that you made a correct entry of the date?

A. I suppose I entered them when I received them, and I was aware that I had the money on the first of July. I must have had them on the first of July, otherwise they could not have been forfeitures; and I credited them to the University in my report as of the first of July. I don't know whether I make myself clear or not. It has no connection with the defalcation, and I desire to call my son to testify as to the fact that this report was being made in the form in which it is there at the time this delinquency was discovered. These forfeitures, three-fourths of them, are improper reports of forfeitures. They are closed-up accounts. They should never have been reported as forfeitures; should have been reported to me with the vouchers accompanying them.

Q. If they were handed to you and reported in July, '74, why did they not go into your report of '73-4 and not into your report of '74-5, which was not made up or handed in until October following?

A. Those forfeitures are not generally reported until after the close of my report.

Q. They were this year.

A. They were reported in November, it seems, of '74, long after my report of '72-3 had been made.

Q. What right had you to credit in your annual statements these moneys in July, and yet enter them in your book of October and November?

A. I had them in July. I don't know that anybody ought to complain if I credit three or four months in advance of what he reports them to me. I had the money, and I thought the University were entitled to interest on it. If there is any statute law against reporting it in that form I was in error.

Q. Are you positive that Rose did not report these forfeitures to you until November?

A. I know only from that record. I don't know I have any recollection about it in any way whatever. I can only judge from the record which is there. It shows November, and I never discovered it until I saw it this afternoon.

Q. What use was there in your making any credit in your books for these moneys if you had the money for months, for Rose did not pay the money at the time he made the reports but has paid it at each monthly settlement?

A. That has been pretty fully explained. I will explain it over again. I have explained it three or four times.

Q. Answer the question.

A. Well, sir, that deposit money, as I have stated, is money subject to the call of the student. It has not been the custom or practice to credit that to the University until such time as either of the student has settled his account, has rendered his voucher, or has left town with no intention of returning. The question of whether he has left town with no intention of returning is left at the discretion of Dr. Rose. If he knows the fact that he has left town the next day after he makes the deposit and does not report it to me, he neglects his duty. I report it to the University and credit it to the University when it is clearly and unmistakably the property of the University. Do I make myself clear?

Q. Yes.

DR. ROSE RE-CALLED—FEB. 26.

By Mr. Taylor:

Q. What payment did you receive from Dr. Douglas on account of salary?

A. I have here a statement of salary received by me from Dr. Douglas,—statement of salary received in all, both from Dr. Douglas and the University, from April 1st, '66, to July 1st, '69. After that I received all my salary from the University direct. I entered the laboratory of the University in April, 1866. On July 1, '66, the first quarter's salary, I received \$125. I received of that amount by warrant \$60.24, and \$64.76 from Dr. Douglas, for which I gave him a voucher. This voucher is returned by Dr. Douglas and found in his annual statement for '65-6. In the year '66, from July 1, '66, to July 1, '67, my salary was \$500. I received the first quarter's salary October 1, '66, by warrant from the University for \$125; the second quarter's salary January 1st, '67, I received of Dr. Douglas, for which I gave him a voucher, \$125. That voucher he returns with his supplementary statement he had here the other day. The third quarter's salary I received April 1, '67, of Dr. Douglas, the whole of it, \$125, \$52.17 in one voucher and \$72.83 on another voucher. The \$72.83 he returns in his annual statement for '66-7. The voucher for the \$52.17 is re-

turned with the vouchers here the other day. The fourth quarter's salary I received July 1, '67, \$109.17 by one voucher and \$15.83 by another voucher. The \$15.83 he returns with his annual statement for '66-7. The voucher for the \$109.17 he returns with those vouchers the other day.

My salary from July 1, '67, to July 1, '68, was \$500. I received it as follows: October 1, '67, the first quarter's salary, \$125. \$75 of that is on one voucher, \$50 on the second voucher, and second voucher he returns with his annual statement for '67-8. The \$75 voucher he returns with the vouchers here the other day. January 1, '68, the second quarter's salary, \$125, was received in the same manner,—two vouchers,—one for \$75 and one for \$50. The one for \$50 he returns with his annual statement for that year, and the \$75 the other day, and the same with the third and fourth quarters' salary,—April 1 and July 1, '68. In '68-9 he received the first quarter's salary, which would be \$125, running from July 1, '68, to October 1, '68, which was paid by two vouchers, one dated June 25, and the other July 24,—one for \$50 and the other for \$75. The \$75 voucher he returns with his annual statement for '68-9; the \$50 voucher he returns,—one of those that he had here, found in the wrong package, as he called it.

At the September meeting of the Board of Regents my salary was raised to \$800 a year, \$500 paid by the University and \$300 paid by Dr. Douglas. That salary was commenced the first of October, and I drew the first quarter's salary January 1, '69, \$125 by warrant from the University, \$75 paid by voucher which Dr. Douglas returns with his annual statement for '68-9. The third quarter's salary, April 1, '69, \$125 by University warrant, \$75 paid by Dr. Douglas, for which he returns a voucher with his annual statement for '68-9. July 1, '69, the fourth quarter's salary for that year, I received \$125 by University warrant, and \$75 from Dr. Douglas, the voucher for which he returns with his annual statement for '68-9.

At the meeting of the Board of Regents at that June my salary was raised to \$1,000, paid entirely from the University, and therefore I received all my salary by University warrant, \$250 quarterly.

The whole amount of salary extending from April 1, '66, to July 1, '69 would amount to \$1,850, of which I received by University warrant \$560.24 and from Dr. Douglas \$1,289.76, making a total of \$1,850. \$653.42 of this amount he returns with his annual statement for those four years, and the remaining \$636.34 he returns with the vouchers which he presented here the other day.

By Mr. McArthur:

Q. Were not those amounts charged in his annual reports?

A. \$653.42 is charged in his annual statement, and \$636.34 was not. This schedule embraces 19 vouchers of money received by me of Dr. Douglas on salary. The whole number of vouchers produced here with Dr. Douglas' special report is 8, and the whole number found with his annual statement for the same time is 11, making 19 in all. Further, I never received any money from Dr. Douglas on salary without giving him a voucher. The \$100 claimed by him, which he reports in his annual statement for '68-9 to have been paid to me, is without a voucher; and I say further that I never received the money; and I will state here further, that I knew nothing of this transaction until I came to copy his annual statement in January, '76, then I found the account in his annual statement, the first intimation I had.

Q. You mean that \$100 appended at the foot of his report for 1868-9?

A. Yes, sir.

Q. How did you come to sign those two extra vouchers?

A. There are no two extra vouchers. Those two extra vouchers were included in the schedule, making 19 in all.

By Mr. McArthur:

Q. I would like to inquire how you made that statement?

A. I made it from the vouchers, and knowing my salary, which came from year to year.

Q. You kept no account?

A. I kept no open account.

Q. You made it up from the evidence here?

A. Yes, sir. It includes all the vouchers signed by me, which are now in your hands,—both his special report and his annual report,—all the vouchers you have got. It takes the whole of them to make up my salary of \$1,850. If you will give me all the vouchers I will separate them into years just as they occur, so that you may see it without any doubt.

By Mr. Hayes:

Q. Is there any record of what you were to have each year?

A. Yes, sir. It is in the records of the Board of Regents except previous to September, '68. Previous to that you will find no record of it in the proceedings of the Board of Regents, because I was employed alone by Dr. Douglas, and the Regents, I suppose, knew nothing of it; at least there is no record of it.

Here is the voucher for the \$64.76 which occurs in the package of vouchers for the year '75-6. That is the only voucher for that year.

In the year '66-7 there are two vouchers, one for \$72.83 and the other for \$15.83, returned with his annual statement.

In '67-8 there are three received of S. H. Douglas, \$50, October 1, '67, January 1, '68, \$50; April 1, '68, 50. There are only those three vouchers for this year, '67-8. There should be one more; the July voucher for \$50 should be with this settlement. If you will give me those two extra ones,—there is one of those dated June 24, '68, which should come into this package. That paid the quarter's salary up to the first of July. This voucher should be in the package of '67-8 vouchers. "June 25, '68, received of S. H. Douglas the sum of \$50 for dispensing chemicals." This voucher comes in June 25, '68, and it just requires that \$50 to make up the amount of money which would be due me from Dr. Douglas, as I was to receive during that time \$300 from the University and \$200 from the laboratory, which would come within \$50, and that would make the amount that would be paid me that year.

If you will let me have the vouchers for '68-9. I have here two vouchers, one for \$50 and one for \$75.

Q. What is the date of them?

A. One is given June 25, and the other July 24. There is a difference in dates you see.

Q. July 24 of what year?

A. '68. The reason I take it for that is this: at the close of that working year, which would be the first of July, I told Dr. Douglas that I would not remain for the \$500; and this \$75 one was given June 25, which I presume was the date I told him to that effect, and he paid me the amount which would

come from the University,—the \$75, which is the quarter payment on the \$300; so that the other, given July 24, is after I came back. I left at the end of the year and went to Indiana, and bought an interest in a grocery store, intending to remain there. In July I came back and packed up my household effects and moved them to Indiana; and I presume this July 24 was the date which I came back and settled with him, and received the two together as my salary up to the first of October, the vacation being from July 1 to October 1. I would be entitled to my salary up to the first of October, and those two vouchers cover my salary to October 1—\$125. I went to Indiana with the full intention of remaining there. I had a talk with Dr. Douglas before going, and also with Dr. Prescott. They did not want me to go, and I told them I could not remain for the \$500; and they asked me what I would consent to remain for, and I told them if my pay would be made \$800 I would remain. And there was something said like this: in case my pay could be made \$800 whether I would come back, and I told them I didn't know but I would. There was no move made to make it \$800 then. I left in July and knew nothing to the contrary. In August I received a letter from the President of the University, which is as follows:

“ANN ARBOR, August 12, 1868.

“DR. P. B. ROSE:

“MY DEAR SIR:—I was surprised to learn on my arrival home a few days since that you had concluded to leave us. I think that after your long services in the laboratory you should be promoted. I hope you will conclude to remain in the University. I have seen the other members of the executive committee, who agree at my request to pay you \$500 a year, and Dr. Douglas agrees to pay you from the laboratory fund \$300, making \$800. If you can abide with us for that sum I should be glad to have you. Will you please to reply soon.

“Yours truly,

“E. O. HAVEN.”

On the receipt of this letter I immediately wrote to Dr. Haven that I would return, after making arrangement to dispose of my interest in the grocery business in Indiana, and in September I did return,—I think somewhere about the 15th or 20th of September,—in time to commence my duties with the University at the beginning of October, at \$800, \$500 paid by the University by warrant and \$300 paid by Dr. Douglas, for which I gave him my voucher. On the first of January I received my quarter's salary, the University warrant for \$125 and from Dr. Douglas the sum of \$75 in full for laboratory services till January, 1869, which is signed by me. On the first of April I received another quarter's salary, \$125, all by University warrant, and \$75 from Dr. Douglas in full for services in the laboratory to April 1, '69. July 1, I received University warrant for \$125, and from Dr. Douglas the sum of \$75, salary to July 1, '69. As I stated before at the June meeting of the Board of Regents, that year my salary was increased to \$1,000, and paid entirely from the University by warrant, and has been so paid since. I received nothing from Dr. Douglas after that.

Q. Do you account for both of these extra vouchers?

A. Yes, sir. One is accounted for in the year '67-8 and the other is accounted for in the year '68-9.

In relation to the University warrant account, which has been known here as the assistant account, I wish to say that in my judgment Dr. Douglas has not even in his last testimony accounted for about \$700 of this assistant account,

which is all that I had for a long time felt sure that he had not accounted for. The \$412.50 of this delinquency, which seemed to be clearly unaccounted for [?] for this reason: if you look at the report of what is known as the Climie committee or by making the footings themselves of Dr. Douglas' annual statements for three years prior to that, and by taking into account the other small errors, it will be seen that something over this amount of \$412.50 of the money received at the laboratory and passed over to Dr. Douglas, paid after '68-9, remain in Dr. Douglas' hands unaccounted for.

In Regent S. S. Walker's report he says [something] like this: "In the annual statement we find several clerical errors,—in the statement for July, '67, a balance of errors to his debit of \$180.04; in the statement of July, '68, a balance of errors to his debit of \$20; in the statement of July, '69, a balance of errors in his debit of \$212.88, making in all \$412.92." He further says: "In Dr. Douglas' statement of '68 there appears a credit to the University of \$412.50, with no note or memorandum showing its proper disposition. Dr. Douglas claims, and it would seem justly, that this credit covers the errors in the year '67-8, which he had discovered, and also collections made on laboratory accounts not elsewhere reported."

Now, by this we see that in order to account for the \$412.50 of what Dr. Douglas calls errors, he takes a credit of the entry in his annual report \$412.50, entered in blank, but entered in pencil, and without anything showing what it was for. In thus giving the University credit for the \$412.50, he simply returns to the University \$412.50 of the money which he had received from the laboratory, and for which he has nowhere else given credit; but now, when he is also called upon to account for the money which he has received from the University on warrants, he takes this same item of \$412.50 and credits it up to the University warrant fund. Now, by this peculiar process of shifting credits from one fund to another, he makes the same \$412.50, a blank entry, stand as a credit for two different sums of the same amount. It would seem that in order to make one and the same entry accomplish such a double and inconsistent purpose, it is entirely proper that the entry should be made in blank; but even then it cannot be made to answer that purpose, for if the entry of \$412.50 is applied to the credit of the warrant fund or assistant account as it is called, then the \$412.50 of errors (he claimed it then as errors), if he now claims it as covering the University warrants, there is in this \$412.50, according to the Walker report, of errors accounted for, so that one will balance the other. That accounts for the \$412.50. (If you will give me Dr. Douglas' annual report for '72-3—) now for four years, '69-70, '70-71, '71-2, he credits the University warrants in this report for '72-3. The last credit given for any warrant is April 1, '73, \$137.50. That is the last warrant credited in his annual report of the laboratory. (If you will give me the special report made May 11, '76, of the assistant account.) He credits the University "by sundry warrants of July 1, '73, to September 30, '74, five quarters, \$687.50," if you will take warrant book for the warrants drawn, you will find that there were six warrants drawn during that same time. I said the last warrant given credit for was April 1. On July 1, '73, you will find another warrant drawn, and April 1 another, January 1, '74 another, April 1, '74, another, October 1, '74, still another, making six in all,—\$825. He accounts in this special report for \$627.50, of which he furnishes you the vouchers, which leaves \$137.50 on that account still unaccounted for. Without taking the time to foot it up, there is about \$287 of this \$687—the last warrant was drawn October 1, '74—there is about

\$287, a little more than that which was worked out in 1875, a year or so after the warrants had passed into his hands. Whether that should be added or not it remains for the committee to determine. But without doing that, it would leave \$550.42 really unaccounted for of the University warrants. I say there was \$287 worked out the year after.

Q. What would it leave unaccounted for, if the \$412 was applied to warrants?

A. It would leave \$137.50, besides the \$287 which was worked out in 1875.

Q. In the "scratch book" what year are the warrants credited?

A. In 1873, there are four warrants credited July 1. October 1 would come in '74-5.

Q. What warrants were credited against this work performed in 1875?

A. He has got only five warrants credited when there should be six.

Q. What year are the warrants drawn in?

A. As I said, the warrants are drawn in July 1, '73, October 1, '73, January 1, '74, April 1, '74, July 1, '74, and October 1, '74. Those are the six warrants that would come in that account. He has only credited here five of them.

Q. What year?

A. I should say the one of July 1 is not credited. October 1, '74, is credited, but the one drawn July 1, '74, is not credited.

Q. Why not?

A. For the year '73-4 I find the four on that crossed out and probably transferred to this account. That being the case it would leave the one for July 1, '74, not entered in this book at all; not credited on his report. As he has got it here, he has got this assistant account worked out against the warrants for 1873.

Q. Take the check for \$34 returned in that special report and tell us what that is for.

A. I find with the vouchers for '67-8 a voucher of E. J. Weeks for services in the laboratory, dated July 2, '68, \$40. I also find [with?] there vouchers which were returned the other day with the special assistant account, a check given to E. J. Weeks, dated July 2, '68, "pay E. J. Weeks \$34.20," given by Dr. Douglas and indorsed by Mr. Weeks. Now, this voucher bears the same date, and was a third of Mr. Weeks' salary for that year. This check went to pay this voucher, together with the account which Mr. Weeks has in the laboratory for \$5.80.

Q. Turn to the ledger and show it.

A. I believe it occurs in the ledger of 1867-8. I find on page 97 of the ledger of 1867-8 that E. J. Weeks has an account of \$5.80. It is written across the face of the ledger, "Settled by Dr. Douglas." This is a stubless account,—an account without a voucher. The \$5.80 added to that check of \$34.20 just makes the \$40 for which Mr. Weeks returned a voucher. I might say here that the other day I saw Mr. Weeks and ask him in regard to it, and he related substantially the same circumstances,—that Dr. Douglas sent him the voucher and check to Jackson, and he drew the money on it there and returned him the voucher signed,—\$5.80. The University has a credit for the \$40 voucher, charged by Dr. Douglas in his annual statement for that year \$67.08. He charges the whole amount of that voucher, \$40. He not only did not give the University credit for the \$5.80, but actually charges them with the \$5.80. Here are the three vouchers for Mr. Weeks of his salary for that year.

By Mr. Hinchman :

Q. Is that \$40 charged in the annual statement?

A. Yes, sir.

I told you the other day I would submit letters from these parties, the assistants, that were called for the other day.

Q. Have you found the settlement wrapper referred to in your testimony before?

A. As I said before, I looked for it in my trunk, but I have not been able to find it. It was simply a slip of paper.

Q. Have you the memorandum book referred to on page 182 of your testimony?

A. This is the memorandum book.

DR. DOUGLAS RECALLED—FEB. 26.

Witness—I would state with reference to that \$104, that while the Climie-Rynd committee were at work I was unable to explain it, and not until a recent period was I able to explain it, when investigating this assistant account. That it applied to these errors I think it very evident. Those errors are made in different years, as I have already stated. The reports were made up by parties that were employed. The balance of errors are against myself largely. In Dr. Rose's testimony it appears that the inference was made—Mr. Walker's memoranda of these errors are in here as an exhibit, which shows a balance of errors against myself, so that there is no occasion for applying \$412 on the score of errors at all. The \$412, beyond all doubt, applies to that [?] to the warrant fund, which makes the three quarters, and applies there and nowhere else. The errors will speak for themselves.

By Mr. Hinchman :

Q. Can you find where it is credited on your book?

A. I can find where it is credited in my report.

Q. Can you find it in your book?

A. I have never looked for it. I think in '68-9 there are three credits in my account of \$137.50 on my book here, which makes \$412.50. It is in that year the individual items, instead of being massed in one, as it is in the report—

Q. It appears to be different in the report, does it not? Look at the report and see if these items are credited individually as well as collectively.

A. I don't know. I worked this through with a great deal of care, and I think it is correct. Of course, in view of the testimony that has been given here to-night, I desire to reexamine the whole question,—examine the vouchers and see whether they check off upon the reports, and how many there are surplus that should apply to the assistant account.

By Mr. Taylor :

Q. Did you tell Regent Walker that you had discovered errors in the year '67-8 to the amount of \$412.50, and that you, in order to correct this error, gave this credit of \$412.50?

A. I am not aware that I discovered any errors.

Q. What you told Walker?

A. I have no recollection of having told him anything of the kind. We talked about the \$412.50, and what application should be made of it. My first impression was that it applied to five accounts, and then the question arose

whether it should apply to errors in the footing; and the balance of the errors being against myself, of course it should hardly apply there.

Q. Was there anything said about that assistant account in the Climie-Rynd investigation?

A. No, sir; nothing occurred to any one in reference to that assistant account.

Q. Do you know how he came to know that you had made such a discovery if you did not tell him so,—to the errors in the year '67-8, \$412.50?

A. He discovered them himself.

Q. Do you know how he came to know that you had made such a discovery, if you did not tell him so?

A. I don't know that he did know it.

Q. He so states in his report: "Dr. Douglas claims, and it would seem justly, that he had discovered an error of \$412."

A. If you will hand me a list of errors that Mr. Walker—

Q. The question is, how did Walker come to find out that you had made the discovery if you did not tell him so?

A. I don't know anything about it. I have forgotten it. We had a good deal of conversation about it (if you will hand me that exhibit—), I wish, in examining this assistant account, some member of the committee would go over the whole of the account with me and look at the vouchers, for you have the data yourself to work upon. The vouchers are here. The warrants are here. It is all a simple matter. I supposed that I had accounted for all, and I think I have. There is one paper I would like to have put in here as an exhibit. I wished to put it in to-day, but I could not find it.

Q. You have stated in your testimony in regard to it?

A. No, sir.

Q. Go on and state what it is.

A. It is a delinquent list for the year '65-6,—the year when Lewis did a large portion of the book-keeping, and was succeeded by Rose in the month of March. The exhibit shows the page of the account, the name of the party making the account, and refers to the final settlement of that account, whether it was settled by Dr. Rose or whether it was settled by Dr. Lewis. In all the accounts represented here, with the exception of \$7.20, all the delinquency accounts of that year were closed in the handwriting of Dr. Rose. They were Dr. Rose's work.

[Paper offered in evidence and marked "Exhibit R."]

By Mr. Hinchman:

Q. Show me in your scratch book where you find the three warrants that you spoke of a while ago.

A. Here they are.

Q. Give us the dates those are credited.

A. October 1, '68, January 1, '69, and probably April 1, '69.

Q. What is the date of that charge on your special report?

A. July 1, '61, I credit four warrants \$425; July 1, '68, I credit \$550; July 1, '69, I credit \$550.

Q. What is the date of that charge of \$412?

A. Transferred?

Q. Yes.

A. That was July 1, '68, I think.

Q. Has it any date to it?

A. My report will show what the date is.

Q. I want to see if the two refer to the same entry.

A. I don't know whether they do or not, I am sure,—'69,—no, sir. These are the warrants credited at a later date.

Q. This probably has no reference to those three?

A. No, sir. I think the mistake—I call the attention of the committee to it—that Dr. Rose makes is, he pushes forward the warrants one quarter. You will find by running the warrants through—I spoke of that the other day—they are all accounted for, unless I have made a mistake. I am confident they are all accounted for. I think that is the way in which that \$137.50 is made a delinquency,—by pushing the dates forward when they ought not to be.

By Mr. Taylor :

Q. What difference did it make who actually settled the delinquent accounts during Lewis' time, if Rose did not as a matter of fact receive the money?

A. The man who settled the delinquent account should have reported his work to me, not the man who owned the account when it was opened on the books. He had nothing to do with it. When it was settled the man who settled it should have made the report to me. These reports are made when the settlement takes place, and not when the account is opened.

Q. The question is whether the man who received the money would settle with you?

A. The man who settled the account received the money, it is supposed,—at least he receives all beyond the original deposit.

By Mr. Kelley :

Q. Suppose Rose was to balance the book and Lewis receive the money; who ought to settle with you?

A. I don't think the books could be found in that way.

Q. Who should settle with you?

A. The man who settles the account. Who balances the books should give me the vouchers for it.

Q. Whether he received the money or not?

A. In the course of things, I should think. I have nothing to do with the account until the account is balanced and settled up.

Q. All you have to do with the account is to receive the money from the assistant?

A. That is all I have to do. I made this statement that you might refer to the page and satisfy yourselves with reference to each account: it will not be ten minutes' work.

RICHARD TREGASKIS RE-CALLED.—FEB. 27.

Witness.—I have got the delinquents divided up into four classes: First, of the stub and red lines and *D*, and [second?] other accounts settled on the same date; the third are stubless accounts, the parties having one account with a stub, but the settlement not made on the same day as the account with the stub.[?]

By Mr. McArthur :

Q. You do not find any accounts that were settled on the same day as the certificates were issued?

A. There are accounts of that class, but they do not come into the delinquent accounts.

Q. What do you mean by "delinquent accounts?"

A. A delinquent account is where we find evidence on the ledger of the money having been received and not accounted for.

Q. Accounted for to whom?

A. To the Regents of the University.

Q. How did you tell that?

A. I found the accounts on the ledger where the moneys were credited to those accounts.

Q. You did not find the details in the report of Dr. Douglas?

A. On the reports of Dr. Douglas we did not find these accounts that I am now going to read you. Number four is where there are no stubs.

In the year '64-5 we find a ticket of A. Purdy, in the hands of the Steward, \$9.48, page 46, dated October 17, '64; one for J. F. Aris, \$5, page 54, October, \$17.64; one of A. Purdy, 52 cents, page 68, dated November 22, '66; one of William J. Calvert, \$10, page 172; making \$25 in all.

Q. Found in the hands of whom?

A. In the hands of the Steward.

Q. Had not been accounted for by Dr. Douglas?

A. Had not been accounted for by Dr. Douglas.

Q. You found those accounts where?

A. There was a package of cards which are said to represent the amount of moneys received from students. We failed to find all those items. There were corresponding accounts for those in the ledger.

Q. You found no accounts on the ledger?

A. Yes, sir; we *found* accounts on the ledger.

In 1865-6, G. S. White, \$26.60, page 187; F. M. Smith, \$43.80, page 183; page 206, A. H. Champlain, \$10; page 206, G. W. Murdock, \$4.20; page 226, E. W. Fiske, \$2; page 234, C. A. Hamilton, \$1; page 262, C. R. Wells, \$2; page 272, A. Colburn, \$2.20; page 278, C. H. Allen, \$1; page 349, H. W. Issenger, \$4.95; page 360, F. M. Wilder, \$13.45; page 370, A. H. Scott, \$24.90; page 377, J. B. Frost, \$6.75; page 379, F. M. Smith, \$6.15; page 387, D. A. Burrell, \$6.40; page 390, H. C. Kibbee, \$3.09; page 403, R. S. Node, \$1; page 404, J. B. Frost, \$3.20; total \$169.71.

In 1866-7, page 483, A. Field, \$14.40; this year we commence with stubs and vouchers. I am reporting the delinquent accounts that have not been paid at all. That stub for \$14.40 was number 79, it has a red line and an S. H. D. on it; on page 537 is G. A. Mathews, \$2; stub number 110, a red line, and S. H. D. on it; page 25, F. C. Curtis, \$0.20, stub number 162, red line, and S. H. D.; pharmacy, page 14, J. W. Knight, \$0.06, stub number 228, red line, and S. H. D.; page 22, A. A. and E. C. Croswell, \$0.06, stub number 302, a red line, and S. H. D.; page 66, F. A. Rook, \$18, stub number 256, and S. H. D. That makes \$34.72.

Page 37, same year, J. D. Morrison, \$5.50, stub number 210. There is no date on the ledger credit. Page 23, J. P. Morrison, \$0.02; no date on that account: he has two accounts. In the same year, on page 19, F. A. Spaulding, there is no stub on that account that I can find. That completes '66-7.

1867-8, page 60, E. W. Burnett, \$10, stub number 153, a red line, and a *D*; page 62, J. H. Austin, \$10, stub 51, red line, and a *D*; page 63, F. H. Lyman, \$13.95, stub number 55, red line, and a *D*; page 74, John Walker, \$10, stub

number 27, S. H. D. on it; page 77, C. W. Maynard, \$1.40, stub 108, with a red line and a *D*; page 84, G. A. Brooks, \$10, stub number 38, has an *F* on it, which means forfeited, and S. H. D.; page number 85, F. M. Smith, \$23.95 stub number 55, a red line and S. H. D.; page 91, W. R. McHarry, \$35.35, stub number 181, red line and S. H. D.; page 7, J. A. Walsh, \$10, stub number 106 with a *D*; page 18, E. H. Pomeroy, \$40, stub 260, Douglas signed the ledger of \$30, and has a date on the stub; pharmacy ledger, page 57, G. F. Loomis, \$23.90, stub number 299, a red line and a *D*; page 167, C. C. Moore, \$10, stub 80, a red line and a *D*; page 246, F. M. Smith, \$36, stub number 23, S. H. D.; parties having one account with a stub and another account that is not settled on the same date; page 167, Chris. Seymour, \$7.70, stub 80 dated March 23, '68 with a red line and a *D*; the same man has an account on page 26, of \$4.50 that was settled on April 2, '68, that appears to be a stubless account.

In '67-8, again, on page 108, Charles Bowman, \$8.10, no stub; on page 29, Charles Bowman, \$11.95, no stub; on page 140, H. S. Brainard, \$2.85, no stub; page 61, William J. Calvert, \$5.35, no stub; page 67, J. W. Hyde, \$3.60, no stub; page 73, James Nichol, \$2.65, no stub.

Now for 1868-9: page 69, A. F. Coope, \$.05, stub 96, a red line and a *D*; page 94, C. H. Hood, \$23.50, stub 108, a red line and a *D*; page 109, William J. Waters, \$10, stub number 60, a red line and a *D*; page 156, B. F. Cramer, \$24.65, stub number 67, a red line and a *D*; page 165, C. M. Boss, \$40.60, stub 189, a red line and a *D*; page 176, T. W. Lamb, \$.20, stub 241 with a red line and a *D*; page 204, M. T. Case, \$0.15, stub number 65, a red line and a *D*; page 213, J. M. Farrand, \$9.35, stub number 109, with a red line and a *D*; page 215, C. Markum, \$5, stub number 200, with a red line and a *D*; page 218, H. J. Ewing, \$100, stub 153, with a *D*; page 219, D. M. Packard, \$10.70, stub number 147, a red line and a *D*; page 228, George Heminger, \$10, stub 150, with a *D*; page 233, V. B. Cochrane, \$26.10, stub 28, with a red line and a *D*; page 234, R. J. Pierce, \$.05, stub 165, a red line and a *D*; page 257, Jesse Edwards, \$10, stub 249, with a *D*; page 262, W. R. Thompson, \$16.80, stub 219, with a red line and a *D*; page 268, F. A. Dugeon, \$24.75, stub 255, with a red line and a *D*; page 284, H. L. Drake, \$2, stub 377, with a *D*; page 285, J. S. Dodge, \$2, stub 272, with a *D*; page 293, William P. Morgan, \$6.65, stub 233, with a red line and a *D*; page 309, W. J. English, \$5.55, stub 297, with a red line and a *D*; page 114, Charles H. Morrissey, \$53.40, stub 136, with a red line and a *D*; page 465, I. Freund, \$9.85, stub 182, S. H. D.; on the pharmacy ledger, page 15, P. Williams, \$20.66, stub 240 with a red line and a *D*; same ledger, page 94, C. H. Hood, \$5, stub 271, with a *D*; page 247, Thomas M. Goldsberry, \$31.80, stub 171, said to be cancelled, there is a black line on it; page 330, Thomas Goldsberry again, \$5, settled in June, no mark on the stub; page 327, John A. Rutan, \$3.80, settled in June; page 180, John A. Rutan, \$24.95, stub 135, with a red line and a *D*, settled in June; page 81, John A. Rutan again, \$6.50, stub 333, with a red line and a *D*; all three of these accounts were settled in June, apparently on one ticket from the appearance of it, making \$35.25.

Accounts where there are no stubs: Page 301, J. W. Jarvis \$5.84; page 74, S. A. Boehme \$24.20; page 87, John F. Oakes \$25.

1869-70. Page 336, H. H. Barrow \$17.65, stub number 1 with a red line and a *D*; page 352, G. D. Campbell \$26.80, stub 9, a red line and a *D*; page 2, William J. Waters, \$25.45, stub 11 with a red line and a *D*; page 6, W. A.

Buchanan \$25.35, stub number 15 with a red line and a *D*; page 48, W. McKimmie \$20, stub 125 with a *D*; page 55, A. P. Boyer \$36.75, stub number 132 with a red line and a *D*; page 57, C. Olds \$37.55, stub 134 a red line and a *D*; page 58, J. A. Fulton \$20, stub 133 with a red line and a *D*; page 78, F. M. Morris \$14.95, stub 104. I have marked it, "Query as to the red line." There is a *D* on it. We can look at the book in one minute; there is the stub, you can judge for yourselves whether there is a red line or not. There are lots of red lines there, but whether it answers the purpose that a red line is intended for, it is for you to judge. Page 100, K. N. Kintman \$11.95, stub 94 with a red line and a *D*; page 118, Kidd \$.50, stub 24 with a red line and a *D*; page 135, J. Severson \$10, stub 205 with a *D*; page 144, C. Phelps \$10, stub 204 with a *D*; page 176, J. N. Warren \$11.85, stub 219 with a red line and a *D*; page 177, A. Winslow \$10.45, stub 115 with a *D*; page 186, A. Reaves \$10, stub 268 with a *D*. On the pharmacy ledger, page 10, S. P. Roaming \$26.10, stub 273 and a *D*; on pharmacy, page 156, M. B. Stephens \$15, marked "An old account." Page 222, E. C. Fisher \$10, stub 145, a red line and a *D*.

Vouchers found but short stated on Dr. Douglas' report, \$23.05 and \$7.50; apparatus \$41, stubs number 259 with a *D*; M. A. Colgrove \$10, stub number 84 with a *D* on it; Morris D. ——— \$10, stub 267 with a *D*.

Here are accounts of parties having one account with a stub in '69-70: Page 201, F. Ewing, \$4.95; page 153, F. Ewing \$5.80. On the pharmacy ledger, page 13, F. Ewing \$22.20; the account on page 153 of \$5.80 has a stub number 210, and all three of the accounts were settled on June 20th. The \$2.10 stub has a red line and a *D* on it, which would indicate that they were settled on that stub. On page 219 is J. A. Roe \$4.20, and on the pharmacy ledger, page 12, the same party \$22.60 has a stub number 283 with a red line and a *D* on it, both accounts indicating that they were settled on a ticket June 22, '70. On the pharmacy, page 2, O. A. Merrill \$27, page 136, O. A. Merrill \$5.50, having a stub 197 with a red line and a *D*, both accounts settled on the 15th of June, indicating that they were settled in that ticket. Pharmacy, page 7, O. W. Green, \$20.30, and on the ledger, page 41, O. W. Green, \$21.45, having stub number 40 with a red line and a *D*, both settled on the 2d day of June, indicating that they were settled on that stub.

Stubless accounts: Page 158, H. B. Jenks \$13.80; page 211, C. Howell \$6.20.

1870-1. Page 231 of the ledger, C. P. Donaldson \$10, stub 90 with a *D*; page 262, C. Syler \$26.20, stub 35 with a *D*; page 270, Wirt Waite \$20, stub 54 with a *D*; page 279, M. G. McLean \$10, stub 76 with a *D*; page 285, H. R. Armstrong \$19.80, stub 91 with a red line and a *D*; page 287, S. Armstrong \$46.50, stub number 27 with a red line and a *D*; page 298, A. Regal \$20.55, stub 14 with a red line and a *D*; page 311, M. C. Kelley \$19.10, stub number 113, a red line and a *D*; page 316, A. W. Adams \$12, stub number 124, with a red line and a *D*; page 337, Charles E. Davis \$13.75, stub number 130 with a red line and a *D*; page 340, J. S. Blackburn \$5, stub 138 with a red line and a *D*; page 363, F. Churchill \$13.35, stub 15, red line and a *D*; page 367, H. ——— \$23.80, stub 165 with a red line and a *D*; page 371, E. A. Common \$11.70, stub 110, red line and a *D*; page 375, W. R. Grannis \$12.20, stub 171, a red line and a *D*; page 7, J. E. Hatch \$13.20, stub 179 with a red line and a *D*; page 24, T. McKnabe \$4.26, transferred from an old account; page 25, B. Haight [Hoyt?] \$13.30, stub 202 with a red line and a *D*; page 28, R. F. Dundass \$10, stub 203 with a *D*; page 54, B. C. Smith \$14.75, stub 227 with a red line and a

D; page 60, C. N. Metcalf \$18.75, stub 230 with a red line and a *D*; page 67, W. R. Wilcox \$15.85, stub 243 with a red line and a *D*; page 85, W. J. Hurdman \$18.65, stub 255, a red line and a *D*; page 35, James Fisher \$25, stub number 235 with a *D*; page 39, Ol C. Foote \$30.55, stub 267 with a red line and a *D*; page 41, G. H. Orr \$20, stub 258 with black lines, that would indicate usually a canceled account; but he has an account on the ledger where he worked, so we concluded it was not a canceled account. Here is the account. He entered April 13 and finished in June, and Mr. Climie claimed that line had no business there. He did pay \$20 on that account, and he had \$20 worth of goods; the stub was drawn bearing the same date he entered the laboratory, and there is evidence he did work because he finished in June, and Mr. Climie claimed there was \$20 paid, and he gave me instructions to charge that \$20 to the University and I did so. I think it was correct in the evidence.

By Mr. McArthur:

Q. What do you consider the black line meant?

A. I think we considered that was an error. I am explaining the reason why I have got that \$20 here; whether it is proper or not I have nothing to do with it. Mr. Climie claimed that as the ticket was drawn, it was evident that the ticket was drawn and detached, and that the man did enter the laboratory in April and ended in June, and used the chemicals.

Dr. Rose—Undoubtedly when this man Orr entered I suppose he wanted to make a deposit. He probably did not have the money to make a deposit after the ticket was filled out, and as he never deposited the money with me I drew the black line across it. The money never came into my hands. You will see that the deposit each side was signed with the letter *D*, and there is no evidence that there was ever a settlement between Dr. Douglas and me. The money undoubtedly never came into my hands. The \$20 was not entered on the ledger then. The ticket was filled out, supposing he was going to make a deposit, and undoubtedly he had not the money to make a deposit.

Q. Were you in the habit of putting the amount on the stub when that was done?

Rose—I would fill out the ticket when he commenced, and not having the money it would stand there.

Q. What would become of the voucher?

Rose—That voucher was undoubtedly destroyed the same as all other canceled tickets.

Mr. Newcomb—Why did you make it \$20?

Rose—That was the usual deposit for pharmacy at that time.

Q. Did he not appear to commence work on that day?

Rose—Undoubtedly, but he didn't make a deposit.

Q. How do you know that that man ever paid his account?

A. I only judge from the record. I have no recollection of the man in particular.

By Mr. McArthur:

Q. Has any correspondence ever been had with the student?

Mr. Rose—Not that I know of.

By Mr. Hinchman:

Q. The ledger shows he paid no money?

Mr. Rose—The ledger shows that he paid no money. I might say I have no

recollection of it. I don't remember that his name was Orr, but I remember a man working in the pharmacy, that after he got through he agreed to send his money, but he did not. He never sent it. I don't know whether his name was Orr.

Mr. Tregaskis—Continued:

Q. You put that down under the instruction of Mr. Climie?

A. Yes, sir.

We will take now the list where the parties have one account with the stub settled on the same day apparently: Page 268, Amelia Upjohn, \$20.65; pharmacy, page 27, is the same person, \$27, having stub number 74, with a red line and a letter *D*; both accounts settled on the 9th of June; pharmacy, page 31, S. S. Massey, \$59.50, and on page 384, \$6.25, and on page 96, \$6.05, and on 299, \$21.15. There is a stub for this account, number 108, with a red line and a *D*; all four accounts settled in June, indicating there is only one ticket; page 285, M. A. Minor, \$5.75; page 248 is the same person, \$22.05, having a stub number 30, with a red line and a *D*; both accounts settled on the 17th of February; page 97, M. A. Minor, \$6.95, and on the pharmacy book, page 32, \$27.20, which has a stub number 220, with a red line and a *D*; both accounts settled on the 15th of June, indicating they are settled on one ticket; page 46, W. S. Cary, \$5.50; page 225, the same person, \$21.05, number 49, with a red line and a *D*,—both accounts settled on the 14th of April, indicating that they are settled on one ticket; page 48, O. C. Johnson, \$11, and on the pharmacy book, page 16, is the same person, \$32.70, having a stub number 59, with a red line and a *D*, and both accounts settled in June; page 77 is O. L. Braddock, \$6.80, and on the pharmacy book, page 23, \$27, and on page 294, the same person, \$19.30,—stub number 1104, with a red line and a *D*,—all three accounts settled on June 15; page 89, E. Rumple, \$6.10; page 259 is the same person, \$22.70, having a stub number 4, with a red line and a *D*,—both accounts settled in June 22; page 53, Collins, \$17.55, having a stub 221, with a red line and a *D*, and on page 45 is Collins again, \$8.15, without a stub,—settled June, 1871.

The following are the accounts that have no stubs: Page 239, P. A. Harris, \$15.60; page 304, P. F. Eran, \$3.20; page 374, M. F. Van Buren, \$9.30; page 37, H. N. Goodall, \$19.85; page 43, W. N. Woolson, \$11.15; in the Pharmacy book, page 18, W. N. Woolson, \$15.45; page 68, C. Pratt, \$5.30.

1871-2: Page 99, F. J. Seely, \$25.30, stub 105, with a red line and a *D*; page 103, A. F. Truman, \$10, stub 99 with a *D*; page 107, C. Wright, \$15, stub 114 with a *D*; page 109, T. C. Hutton, \$5.10, stub No. 39, with a red line and a *D*; page 113, Little, \$20, stub 52, with a *D*; page 123, Joseph Bautes, I have reported \$10, stub 47, with a *D*; page 134, U. W. McGuire, \$42.50, stub with a red line and a *D*, stub 92; page 137, T. B. Griffith, \$23.05, stub 85, with a *D*; page 142, Stephens, \$10, stub 80, with a *D*; page 143, John S. Williams, \$35.50, stub 84, with a red line only; page 147, Prentiss, \$40.95, stub 62, with a red line and a *D*; page 155, Parsons, \$15, stub 56, with a *D*; page 161, F. R. Wilson, \$25.25, stub 34, with a red line and a *D*; page 238, J. W. Switzer, \$10, stub 86, with a *D*; page 250, George A. Davis, \$10, stub 136, with a *D*; page 253, George Watson, \$2.40, stub 138, with a red line and a *D*; page 269, J. D. Pierce, \$10, stub 148, with a *D*; page 274, Joseph Green, \$10, stub 294, with a *D*; page 306, King, \$2.65, stub 192, with a red line and a *D*; page 235, C. E. Kuhn, \$10, stub 239, with a *D*; page 363, J.

A. Fleck, stub 285, with a *D*, \$5; page 372, F. F. Frost, \$6.30, stub 289, with a *D*; page 376, M. T. Campbell, \$10, stub 92, with a *D*; Pharmacy ledger, page 55, Montgomery, \$24.70, stub 26, with a *D*; page 231, C. P. Donaldson, \$11.40, stub 90, with a *D*; page 20, H. J. Armstrong, \$13, no stub.

Accounts having one account with a stub: Page 222 E. C. Fisher, \$2.10, page 285 Fisher of the firm of Snow & Fisher, they had an account in partnership, \$2.20 apiece, Fisher's part being \$2.20; he settled his account in February, '72, in both cases no stub; page 145 the same party \$10, having a stub number 48, issued September 31, '71, having a *D* on it; page 310, Wallace, of the firm of Wallace & Askin, \$2.25, his share; page 233 is the same party 45 cent, having a stub number 33, with a red line and a *D*, both these accounts apparently settled March 8, 1872, both on one ticket; page 344, H. S. Maynard, \$6.40, page 377 is the same party, \$6.10, pharmacy, page 48 is the same party, \$22.40, all three accounts settled May 21, '72, without a stub; page 168 the same party, \$23.70, having a stub number 90, with a red line and a *D*, settled June 1st, '72; page 360, J. E. Mathews, \$5.40, settled May 24, '72, no stub; page 151 is the same party, \$24.85, on the pharmacy, page 47, \$24.05, stub number 91, with a red line and a *D*, and both accounts settled on the 16th of April, indicating that they were settled on one ticket; on page 66, J. T. Root, \$4.55, on the pharmacy book, page 53, same person, \$55, and on page 156 \$25.15. This account has a stub, number 118, with a red line and a *D*, all three accounts settled on the 15th of May, indicating that they were settled on one ticket; page 384, J. R. Kelley, \$1, page 172 is the same person, \$25.30, having a stub, number 24, with a red line and a *D*, both accounts settled on June 14, indicating that they were settled on one ticket; pharmacy book, page 61, S. S. Warren, \$26.40, page 336, on the same ledger, is the same person, \$21.70, having a stub, number 185, with a red line and a *D*, and both accounts settled on June 14th, indicating that they were settled on one ticket; on the pharmacy book, page 62, Gundrum, \$22.65, page 224 is the same person, \$21.25, having a stub, number 161, with a red line and a *D*, settled on May 18, '72; the amount of the pharmacy account is \$22.65, settled June 14, '72, without a stub. The party has the ticket, although they were not settled on the same day; on the pharmacy book, page 63, Ripper, \$22.45; page 106 is the same person, \$22.30, with stub number 11, with red line and a *D*, both accounts were settled June 19th, indicating that they were both settled on the same ticket.

The following are accounts where there are no stubs: Page 128, Hurdman, \$6.05; page 159, S. G. Banks, \$2.75; page 190, Johnson, \$3.95; page 201, J. E. Palmer, \$3.15; page 341, Mrs. C. Haines, \$3.56; page 370, F. A. Hubbell, \$5.45; page 373, Mrs. Hilton, \$2.80; page 379, Coop, \$6.90; page 381, Mr. George, \$1.70; page 50, G. S. Cook, \$28.85.

1872-3: Page 392, F. Fritz, \$64.90, stub 289 with a *D*; page 398, W. L. Ayers, \$10, stub 52 with a red line and a *D*; page 429, T. S. Woolever, \$63.05, stub number 89 with a red line and a *D*; page 428, Henry Ehrhardt, \$52.10, stub 92 with a red line and a *D*; page 452, S. D. Chapin, \$49.25, stub number 1 with a red line and a *D*; page 481, S. F. Samns, \$10, stub 113 marked *F* (which means forfeiture) with a *D* on it; page 485, C. G. Baker, \$1.30, stub 165 red line and a *D*; page 40, Wells, \$18.40, stub 210 with a red line and a *D*; page 78, F. F. Kerr, \$12.50, stub 147 with a red line and a *D*; page 123, J. R. Kinney, \$4.15, stub 253 marked *F* (for forfeiture) and a *D*; page 128, W. H. Head \$4.25, stub 276 marked *F* (for forfeiture) and a *D*; on the pharmacy ledger page 69, W. C. Clement, \$13.40, stub 109 with a red line and a *D*;

page 142, Stephens, \$3.45, stub 80 with a *D*; page 182, Philena Moore, \$2.25, no stub; page 316, Coursen and Stephens, \$3.65, with no stub. Vouchers found but short stated on the annual report, \$0.95.

Page 474, Leffingwell, \$3.35, stub 137, with a red line and a *D*; page 475, Hought, \$2.50, stub 47, with a red line and a *D*; page 70, Brown, \$3.70, not stub; page 386, Brown, \$10, stub number 110, marked forfeiture and a *D*; page 93, Johnson, of the firm of Johnson & McKibben, \$3.30, stub number 133, with a red line and a *D*; page 99, W. E. Upjohn, \$19.15; page 434 is the same person, \$30.60, stub 24, with a red line, and a *D*, and a forfeiture, accounts settled on April 9th, indicating that they were settled on one ticket; page 129, Myrin and Bigley, Bigley is the delinquent partner, \$3.05, stub number 118, with a red line and a *D*; page 137, Short and Kay, Short is the delinquent partner, stub issued to Kay nearing the red line and the *D*, number 75; page 146, Emery and Putney, stub issued to Putney, number 135, \$2.60, with a red line and a *D*; page 149, Egbert and White, \$3.90, stub 190, red line and a *D*; page 154, S. Armstrong, \$7.80; pharmacy, page 72, Armstrong, \$32.55, stub number 185, with an S. H. D. on both accounts, settled on June 19th, indicating that they were settled on one ticket; page 167, A. N. Hale or Hall, \$23.75; on the pharmacy page 80 is the same person, \$22.85, and on page 406, the same person, \$20.65, having a stub, number 73, with a red line and a *D*; all three of these accounts were settled June 9th, indicating that they were settled on one ticket; page 169, A. C. Stephenson, \$13.45, on the pharmacy, page 74, same person, \$34.95, page 430, same person, \$17.10, having a stub, number 164, with a red line and a *D*; all three accounts settled on June 16, which indicates a settlement on one ticket; page 170, R. H. McKinne, \$18.10; page 73 is the same person, \$47.40; page 428 is the same person, \$23.50, having a stub, number 72, with a red line and a *D*; all three accounts settled on June 17th, indicating that they were settled on one ticket; then come Minor & Barret, a partnership table, \$1.40, and on page 100, is C. Barret, the delinquent partner, \$20.15, having stub number 261, with S. H. D. on both accounts marked settled May, which would indicate that they were settled on one ticket; on the pharmacy book, page 82, O. C. Sheppard, \$27.50, and on page 442 of the ledger, the same person, \$10, has a stub, number 126, with a red line and a *D*, both accounts settled on October 2d, indicating that they were settled on the same ticket.

Now I come to stubless accounts.

Page 477, B. Kingsley, \$2.40; page 479, Fullerton & Jewell, \$8.30; page 17, Clews & McGregor, \$7.70; page 19, Craig & Stephens, \$7.30; page 20, Miss M. Locke, \$9.85; page 24, Holister & Hall, \$7.15; page 65, J. J. & W. H. Porter, \$5.05; page 86, Hallack & Kinne, \$5.50; page 142, C. W. Sheppard, \$10.80; page 144, C. G. Duncan, \$15.30; page 145, H. Huntington, \$22.50; page 153, E. Rainer, \$1.80; page 172, C. Michels, \$3.25, and on the pharmacy, page 90, is the same person, \$17.90; page 173, C. H. Hudson, \$10.65; page 176, A. Huntsman, \$7.50, and on the pharmacy, page 89, is the same person, \$19.85; page 187, Haskill, \$2.20, and on the pharmacy is the same person, \$21.50; page 190, J. H. Harroun, \$43.60, and on the pharmacy, page 92, is the same person, \$22.30; page 192, William Scrage, \$6.90, on the pharmacy, page 94, is the same person, \$12.30; page 193, L. S. Putney, \$5.65; page 194, C. V. Porter, \$.60. That finishes up '72-3.

Page 198, N. P. O. Code, \$40.70, stub 86, with a red line and a *D*; page 196, E. Bowers, \$20, stub 85, with a *D*; page 204, D. Desnoyer, \$10, stub 32,

with a *D* only on it; page 210, J. P. McCullough, \$29.75, stub number 57, marked forfeited, and a *D* on it; page 214, H. Takemora, \$26.90, stub 156, with red line and a *D*; page 218, H. C. Thum, \$10, stub number 63, with a *D*; page 223, W. H. Wells, \$10, stub 118, with a red line and a *D*, and marked forfeited; page 239, H. D. Earle, \$35.05, stub 6, with a *D* on it; page 243, W. C. Sheffield, 10 cents, stub 146, with a red line and a *D*; page 245, A. W. Stephens, \$42.55, stub 67, with a red line and a *D*; page 273, E. L. Van Meter, \$19.15, stub 10, marked forfeited and a *D*; page 247, H. H. Lockwood, \$48.50, stub 125, with a red line and a *D*; page 297, F. A. Cady, \$34.25, stub 150, red line and a *D*; page 98, M. C. Strong, \$16.40, stub 125, with a red line and a *D*; page 313, S. G. Higgins, 10 cents, stub 66, with a red line and a *D*; page 328, J. R. Simmons, \$1.10, stub 179, marked forfeited, with a *D*; page 346, J. J. Halliman, \$1.90, stub number 166, with a red line and a *D*; page 350, M. M. Norris, \$10, stub 200, marked forfeited, with a *D*; page 361, J. M. Everett, \$18.85, stub 207, with a black line; page 371, J. Heller, five cents, stub 76, with a red line and a *D*; page 378, R. Logan, \$7.75, stub 221, marked forfeited and a *D*; page 389, H. W. Harvey, \$7.50, stub 49, with a black line and a *D*; page 391, J. A. Gunn, \$5.80, stub 194, with a *D*; page 394, J. B. Chambers, \$4.75, stub 230, with a red line and a *D*; page 398, J. M. Nichol, \$10, stub 236, marked forfeited and a *D*; page 264, H. Hunter, \$10.15, stub 119, with a black line, forfeited and a *D*; pharmacy, page 97, H. M. Huntington, \$20, stub 190, marked forfeited and a *D*; page 103, George W. Harvey, \$26.25, stub 158, with a red line and a *D*; page 112, O. Johnson, 10 cents, stub 226, with a red line and a *D*; page 147, O. E. Sheppard, \$22.01, stub 126, with a red line and a *D*; pharmacy, page 65, Wilbur, \$24.10,—I do not find any stub to that amount.

Parties having one account with the stub: Smith and Welsh, stub 44, with a red line and S. H. D., \$3.20; pharmacy, page 107, James C. Moss, \$16.40, and page 207, the same person, \$35.95; stub number 59, with a red line, and a *D*, and both accounts settled on May 26th, indicating that they were settled on one ticket; pharmacy, page 113, J. A. Bartlett, \$10.95, and on page 225, J. A. Bartmett \$30, has a stub marked with a simple *D* on it.

Stubless accounts—having no stubs: Page 216, Dietz, \$14.95; page 267, L. R. White, \$18.45; page 200 and 76, J. Weaver, \$43.10; page 280, Fritz and Duncan, \$7.45; page 283, F. P. Moore, \$4.05; page 286, G. W. Lowry, \$4.25; page 294, Michael, \$38.85; page 304, F. F. Fritz, \$33.10; page 305, Miss R. Search, \$30.40; page 322, S. W. Smith, \$20.50; page 326, Mrs. M. B. King, \$14.40; page 367, C. Watson, \$4.50; page 375, Senier, \$47.40; page 376, F. P. Pugh, \$6.15; page 403, same person, \$10.75; pharmacy, page 100, same person, \$34.45; page 388, S. P. Stochwell, \$5; page 396, T. H. Durstin, \$4.10, page 405, Ehrhardt, \$6.80; pharmacy, page 101, same person, \$38.45; page 406, C. W. Wood, \$13.05; page 412, G. E. Wilmarth, \$8.05; page 419, A. J. Green, \$1.75; pharmacy, page 98, Gertrude Jones, \$42.15; pharmacy, page 102, Duncan, \$44.85; pharmacy, page 115, C. Johnson, \$11.55; pharmacy, page 116, C. Button, \$17.20; pharmacy, page 118, Otti, \$15.45. That finishes '73-4.

1874-5: Page 439, L. O. Williams, \$10, stub 70, red line and a *D*; page 39, C. McWade, \$10, stub 44, with a red line and a *D*; page 55, A. F. Hagadorn, \$10, stub 92, red line and a *D*; page 147, G. G. Baker, \$15.80, stub 200, red line and a *D*; page 242, J. George, \$10, stub 310, marked forfeited, with a *D*; page 91, Vanderburg, \$4.35, stub 187, with a red line and a *D*; C. A. Holster, \$5, stub 24, and a *D*; James, \$10, no stub.

Parties having one account and a stub: Page 240, S. W. Cheeny, \$10.40; June 18, no stub; page 61, he has a stub, 190; account settled November 16.

Without stubs: Page 421, R. H. McCartney, \$10.

1875-6: Page 301, C. F. Webb, \$11, stub 57, red line and a *D*; page 302, S. J. Ridgley, \$10, stub 138, with a *D*; page 310, C. C. Miller, \$11.15, stub number 12, red line and a *D*; wage 342, O. N. Murdock, \$11.95, stub number 53, with a red line and a *D*; page 349 J. A. C. McDonald, \$5, stub number 41, with a *D*; pharmacy, page 155, J. W. Morgan, \$10, stub number 143, no mark on it. I guess the *D* was crossed off. Total, \$5,536.13.

By Mr. Hinchman:

Q. Does that include the \$20?

A. That includes the \$20 of G. W. Orr.

Q. Any more of that kind?

A. I think that is the only one of that kind.

Q. You stated Mr. Climie gave you instructions about that one?

A. Mr. Climie thought it was probable that the money was paid, seeing the man had had that value of chemicals and served out the term, and the stub was gone and no evidence of its being returned.

Q. Did you have any instructions from any other Regent?

A. No Regents had any interest. They would come in and tumble us upside down; that would be all! Mr. Climie staid with me up to the time I finished. He was the only man that ever paid any attention to it.

Q. Ever any other time?

A. No, sir.

Q. In making up your delinquent list for '74-5 did you take that \$831 and distribute it over this amount as payments?

A. That \$831 has been paid the University, and we did not include that in this delinquent list. I have read the delinquent list up to date.

Q. For '74-5?

A. Yes, sir. That \$831 has been paid to the University, and it is not treated as a delinquent list.

Q. You have not read all the delinquencies for 1874-5?

A. I have read all that was delinquent that have been unpaid. \$5,536.13 is what I claim was due the University this day. The original delinquency was \$7,000. The first committee brought the accounts down to June, '75, and we found that instead of there being a delinquency of \$3,100, they had reported there was a delinquency of \$7,000, and that there were subsequent reports made that reduced the delinquency down to date, or to the date these were made, as a *finale* of the whole business.

Q. What is the final date?

A. The report was rendered up to June, '76,—the McGowan committee. They took in a settlement report made by Dr. Douglas, two reports covering the period of 1875. Mr. Climie took the same reports that they took and brought things to the same date.

By Mr. Taylor:

Q. While you performed this work in Ann Arbor was Dr. Douglas ever present?

A. Yes, sir; he was present nearly all the time I was there.

Q. Did he ever give you any assistance?

A. He didn't give me any assistance in any way. He hindered me a good

deal. I should have got through several weeks before I did if he hadn't been there.

Q. Did he ever say anything to you in the absence of Mr. Climie in regard to Regents Climie and Rynd?

A. He said several things to me during their absence, but not touching these reports.

Q. Anything in regard to the making up of the accounts in the manner in which Mr. Climie was conducting it?

A. No, sir; I don't think he did.

Q. Did Dr. Douglas ever try to influence you in regard to making up these accounts?

A. No, sir; I don't think he did in any way. I have no recollection that he ever did.

By Mr. Mills:

Q. Did Dr. Douglas try to influence you against any of the Regents at any interview?

A. No, sir; I can't say that he did.

Q. Did Dr. Rose?

A. No, sir. I don't think I ever saw Dr. Rose there but once or twice that I know of. I don't believe he was there but once or twice while I was there.

By Mr. Taylor:

Q. What was Dr. Douglas' manner when he was around the committee?

A. He copied all my papers that I made, and examined everything I did, was over me all the while, all the time, and it used to bother me a good deal. I told Climie that if he didn't stop it and take these books away somewhere where I would not be bothered, I would shut that door and keep it locked. I told him if he didn't take those books down to the hotel and give me a chance for the last week I had to work, I would pack my "duds" and go to Detroit. I wouldn't stand it any longer. I requested that Dr. Douglas should keep away until I got through, but he never did, and the consequence was we did not get through until the second day after the Regents met, and then we worked pretty nearly all night in order to get ready. If he had been kept away I would have got ready in plenty of time. Climie did not have the pluck to tell him to keep out, and let him come in, much to my annoyance.

Q. Did Dr. Douglas have the books by himself and take them into a room by himself?

A. He had what books and papers he wanted to get at any time in the vault or anywhere else: always did.

Q. Do you know how many times?

A. He continually did so during the time I was there. He has been in the vault for a great while by himself. Probably he has been there an hour or two hours at a time.

Q. Was Dr. Rose ever allowed with those books?

A. No, sir; I don't think he was ever there, as I said before, but once or twice. He never came in to see any of my papers.

Q. Did he take any books and go off by himself with them, or any papers?

A. Not that I know of. I never saw him do it. I think he came in there and copied some of the books when he first came there. He was copying some of the papers in Bennett's room. I don't think he ever came in my room but once, and it seems to me he had some accounts he wanted to get a copy of, if my

recollection serves me right. I think that was the only time he came there to my knowledge.

Q. What was the room you occupied?

A. The President's room.

Q. About the time this article appeared in the Courier, do you remember of Dr. Douglas ever saying anything to you in regard to Mr. Climie?

A. Well, we had a private conversation one day going down to his house. I stopped outside of his gate. Dr. Douglas seemed to feel very sore towards Mr. Climie,—I don't know on what ground. I never saw him do or say anything to give him a cause. He seemed to think Climie was very much opposed to him. I told him I didn't think he was; in fact, I thought he rather favored him than otherwise. In every shape he told me he had been on Climie's track; that he had found Climie from his cradle up,—it had cost him a good deal of money to do it; that he had had a detective on his track, and he had got his history right down to date. It had cost him a good deal of money to get it. That is the conversation. He says, when he got after a man he generally was successful in finding him out,—making it hot for him. I told Mr. Climie afterwards that Dr. Douglas had told me he had his history right down to date. He said it was all right.

Q. That was after the article in the Courier?

A. I think it was after the fighting commenced in the papers.

Q. Was it after the review of the Climie-Rynd report appeared in the papers?

A. It was one rainy afternoon that we walked down together.

Q. Was it while you were at work in Ann Arbor?

A. Yes, sir.

Q. Did not Mr. Briggs and Mr. George frequently have the books by themselves?

A. Mr. Briggs and Mr. George were frequently in Bennett's office, but never with me that I know of. I will take that back. Mr. Briggs during the time of the last investigation of McGowan and Grant, sat around there for some two or three days, but he did not do anything particularly. I took it he was seeing to Douglas didn't have any access, but he was there for two or three days, until it ended in a row, and I told them both to get up and run. That is the way it was.

Q. Do you know of Dr. Douglas and Climie being in the vault together?

A. Yes, sir. I have seen them in the vault together a good many times.

Q. Did you hear Climie say anything immediately after as to what Douglas had said to him in the vault? and if so, what?

A. In the evening, when Climie and I were walking from the University down to the hotel, he told me what you have heard stated here before,—Dr. Douglas wishing him to get at this stub business, and he would give him a check for the amount. He did not want to have it get out, made public, because it might affect his family, injure him, or something of the kind. He told me the conversation in the vault, that Dr. Douglas had said that day. I did not attach any importance to it. Dr. Douglas has stated in my presence several times that he was ready to give a check for the stubs. As soon as we had got the amount of the stubs he would give us a check for the amount, or he would give Mr. Climie a check for the amount.

Q. Did Douglas say this in your presence before or after he and Climie went into the vault together, and this conversation took place which Mr. Climie repeated to you?

A. I think it was after that time, sir.

Q. Did you ever see Douglas go into the vault and put papers in his pocket and carry them off?

A. I don't know that I have ever seen him go into the vault and take papers and carry them off. I have seen him go into the vault.

Q. Did he ever take papers from the room and carry them off?

A. I have met him,—I know that he took what papers and books he pleased, just when he wanted to, and would do just as he pleased any way.

Q. Do you know that he took them whenever he pleased, without knowing that he ever took them at any special time? How do you know that he took them when he pleased, if you never saw him take them?

A. I have seen him take books and papers into the vault and out of the vault, and take them where he wanted to,—take them into the other room and carry them into the vault, and work at them just when he wanted them. I heard Mr. Bennett's testimony about his speaking to him. He never spoke to him in the world, because I have been sitting along side of him. He never dared do it. He never did do it, because it was an every-day occurrence.

Q. Did you ever express an opinion as to the genuineness of the *D's*, and if so, what was it?

A. Yes, I have. When I saw those *D's*, Dr. Douglas showed them to me; and we have looked at them together, and I have told him and other people that were in there that they looked very unlike his *D's*. I did not think they were his *D's*, because what I had seen of his handwriting he seemed to make a little scrumpy kind of a nervous *D*, and some of those were written with a freer hand. They were unlike his *D's*.

Q. That is, some of his *D's* were written back-handed?

A. Yes, sir; most of the *D's* I had first seen. I have never seen him write with a running hand. Most of his writing that I have seen was that kind of back hand.

Q. Did you ever find a great many of his *D's* in a running hand like those that he acknowledges as genuine?

A. Yes, sir; but some of them are not much like these. You see a difference.

Q. Did you see a difference in some of those *D's* in that first book? Are they not freer?

A. There is a different stroke of the pen in some of those *D's*. They were written ten years ago.

Q. Have you ever seen any evidence that Dr. Douglas tampered in the books in any way?

A. Well,—I have. I have a list here of tamperings with the books where *D's* were cut out and gummed in.

Q. Any others?

A. There are some stubs gone. Who took them I don't know. I don't know that he did it. I have never seen any evidence that Dr. Douglas did it. There are some little irregularities. Stubs are gone,—detached. I have no evidence that Dr. Douglas tampered with the books.

Q. Do you know where in the stub books they are gone?

A. I can tell you where.

Q. Where?

A. In book number 6, stub number 122 is cut out. This is in print by the McGowan committee. Book number 8, stub between 119 and 120. This ques-

tion was raised with reference to the mutilation of the books. In the same book, between 272 and 273. That is the same thing. There is no number gone in either of those two. Book number 11, stub 270 is a blank stub. It might have been spoiled, or the ticket lost, or something. Book number 12, after number 143 is a blank stub.

By Mr. Hinchman:

Q. Did you ever see a certificate that had no corresponding stub?

A. No, sir; I have no recollection of seeing such.

By Mr. Taylor:

Q. Can you tell us of any way in which he could have tampered with the books to his advantage and to the injury of Dr. Rose?

A. I don't know of any.

Q. Can you imagine any way?

A. If a man wants to, he can do lots of things. I have not found anything here that would indicate anything of the kind.

Q. What alteration could be made to his advantage in those books if he wished?

A. Do you want me to suggest something?

Q. Yes.

A. If I tell you you might catch me, if I should ever try to do such things.

Q. I have been unable to see.

A. I don't know that there is anything that he could do particularly.

Q. Do you find any evidence that anybody has tampered with the annual reports? and if so, how?

A. I do, sir. I see that the balances are changed and altered and scratched out and pasted over and gummed up and patched up. That anybody else can see.

Q. The summaries, the computations?

A. The footings put in ink, rubbed out, and written in red ink,—considerable tamperings with the footings of those annual reports.

By Mr. Hinchman:

Q. Was that probable done after having been rendered to the Regents?

A. I did not see it done. I could not tell. It looks rather suspicious any way, to say the least.

Q. It does look suspicious?

A. Yes; it does to me, as if there was some object in it. I should infer that from seeing it. It is a natural conclusion to come to.

By Mr. Taylor:

Q. Did you tell Mr. Kinne that in your opinion Dr. Douglas never wrote the word "Douglas" on one of the stubs, and did you not point to him several D's on the stubs and say they were not his?

A. I have no recollection of saying anything of the kind. As I stated before, when I first saw those D's I told several parties that were looking at them that I did not think they were like Dr. Douglas' writing.

Q. Did you ever notice any other place where Dr. Douglas had signed his name?

A. I have not paid any attention to the merits of those things. I was simply making the figures. Of course these things were brought to my notice, and I

expressed an opinion that I did not think they were like his *D*'s. They seemed to be a freer hand.

By Mr. Hinchman:

Q. Have you not noticed a great dissimilarity of Dr. Douglas' style of writing his name?

A. I have since. I have seen writings that were very dissimilar. I never saw Dr. Douglas or Dr. Rose before I went to the University. I had seen some of his tremulous hand, and when I saw those *D*'s I said I did not think he made them.

By Mr. Mills:

Q. Have you seen any reason to change your opinion as to those signatures?

A. Well, I have not seen much of Dr. Douglas' handwriting further than what you have before you here.

Q. From an examination of what is here, what you have seen, have you seen any reason to change that opinion?

A. No, sir; I have not, further than I saw that signature over at the hotel which resembles very much one that is in that book, as far as the spelling and the last part of the letters. Dr. Douglas was very systematic in his usual back-hand. That is the only writing I have seen of his,—very nervous.

Q. Was he that nervous 10 or 15 years ago?

A. Of course [what?] was written 10 years,—what he was then I do not know.

By Mr. Hinchman:

Q. You say his handwriting is very uniform?

A. Yes; what I have seen of his handwriting, it was uniform,—this back-hand. I have never seen any of the other style of writing. I don't know that he writes it.

By Mr. Taylor:

Q. What conversation did you have with Regent Grant in relation to Dr. Rose being permitted to copy the papers and documents in the Laboratory?

A. Mr. Briggs wanted to get some books, and Mr. Grant told him he could get them the next day,—put him off; and I finally said to Grant that I did not see any objection why he could not get copies of those questions, or anything else he wanted. Dr. Douglas got them, and Mr. Grant said that Mr. Rose had been invited before the committee, and he said he treated them with contempt, and he did not deserve any consideration at their hands at all.

Q. Is that all the conversation you ever had with him in regard to that?

A. That was about the conversation as I recollect. He replied that he did not deserve any consideration at his hands. He had treated them with contempt.

Q. Did you ever have any conversation with Regent McGowan?

A. We had a good deal of conversation with Regent McGowan.

Q. In regard to that?

A. I don't know as he made any particular remarks to that effect. Grant was his spokesman.

Q. Was he present at the time you said this?

A. No, sir. He was coming from the room. I suggested to him to give them a copy,—they were both on the same footing,—to treat them both alike. I did not see any harm in letting them have copies of anything they wanted.

The reply he made was that he treated them with contempt, and he did not deserve any consideration at their hands at all.

By Mr. Newcomb :

Q. Will you tell us what disposition you made of stub 209 in '66-7?

A. We passed that over among the canceled stubs. Here is a list each year of stubs we found canceled, and I treated them as a nullity. Here is a list of canceled stubs. All those were treated as nullities.

Q. Is there any account corresponding to it?

A. I think not. We treated it as a canceled stub.

Q. Will you tell us how you disposed of the second item in Dr. Douglas' report (and I do not know what year) of \$104?

A. Well, sir, it being entered in a lump it was purely a matter of speculation. I might call it one thing and somebody else might call it something else. It represented several payments.

Q. What year was that in?

A. '67-8, I guess, or '66-7. Page 60, E. W. Barrett, \$10; page 62, John H. Austin, \$10; page 74, John Edwards, \$10; page 84, John A. Brooks, \$10; page 7, James A. Welsh, \$10; page 18, H. Pomeroy, \$10; page 108, Bowman, no stub, \$8.10; page 140, H. S. Brainard, no stub, \$2.85; page 26, Chris. Seymour, no stub, \$4.50; page 29, C. A. Bowman, no stub, \$11.95; page 73, James Nichol, \$2.65. Altogether that would be \$90. Those would be classed as forfeited accounts during that year, I suppose. That does not account for the \$104.

Q. The question is, how do you account for the \$104.25?

A. I cannot give you an account for the \$104.25.

Q. Look at that and see if that credit of \$108 on the report is not prior in date to any of those items?

A. There is no date about that at all, sir.

Q. The report is made July 1, '67, is it not?

A. Yes, sir; but there is no date opposite that.

Q. You could not make it after July 1, '67?

A. You will find they are all irregular. Here is November in the same year, and here is January right before it, so that the report was not made in any systematic manner. If you will allow me to see that book of Dr. Douglas.

By Mr. Taylor :

Q. Suppose you had an item of \$14.20 for apparatus?

A. That is just what I was going to find out. I see it is entered \$90 on the scratch book, as I have it. There is an item of \$14.20 which could not be a forfeited account. I find those forfeitures about \$90, and that \$14.25, if it was for apparatus, would make \$104.25.

Q. The forfeiture is just \$90?

A. Yes, sir.

Q. Do you know that those figures you have given foot just \$90?

A. Yes, sir; I can foot up in these account just \$90.

Q. This is the first item entered,—is it not?

A. It is the same amount. It could not be forfeited for '64-5, as he claims several years afterwards. That is the only construction I can put on it.

By Mr. Newcomb :

Q. What evidence have you that it is made up of these accounts,—as many

of them are \$10, what reason have you to believe that it is made up of those in preference to other accounts?

A. Because I find those are unsettled accounts.

Q. There are other unsettled accounts?

A. There are other unsettled accounts. These are stubless. Here and there are some that we term forfeit accounts.

Q. There are other stubless accounts,—are there not?

A. Yes, sir. It is simply my construction. I may not be correct. Dr. Douglas made me three or four different theories. It was once on the papers where he made it \$115, and another time \$110.75, and another time \$105.

Q. Didn't you at one time figure it out and make it the exact \$104.25?

A. That would make it if that was apparatus. If it was apparatus it would unquestionably be what it means. Unless a man designates in detail what it is for, I cannot stand here and tell you it is so, or it is not so.

Q. That was for the year '67-8?

A. '67-8. That is the natural construction I would put on it. I find that sum \$90 there. The reports appear to be made without regard to dates. Here is January and February, and here below [are?] November and December of '67. It is hard for me to stand up and say such a thing is so. It is simply a lump sum reported. It is probable to me that it is so.

Q. I understand you to say that these amounts that you have given now, together with the \$14.25, make just the amount?

A. It makes just the amount with this apparatus.

By Mr. Taylor:

Q. Would not the \$90 you have given include all the forfeited stubless accounts of that year?

A. Yes, sir.

Q. Look at the account of Purdy, ticket with the Steward?

A. That certainly could not be a forfeit account, because the ticket is in the box.

Q. What is G. F. White's account?

Q. G. S. White's account is regular on the ledger, June 4, \$9, and June 19, \$16.20.

Q. When was this reported?

A. It was not reported.

Q. Examine Dr. Douglas' annual report of '65-6.

A. This annual report came back in January. It was found with Bennett after we had got our account ready. I find G. S. White on this list reported in '65-6. I had some minutes among these papers at Ann Arbor, where there were other delinquents. It is reported in '65-6 on the original report, and on the report that we had there was some other name here. I don't remember what it was.

Q. Look at the account of Mr. Field for the year 1867-8,—missing ticket red-lined?

A. I don't find any such name as that in 1867-8.

Q. Look at 1866-7.

A. \$14.40, stub number 79.

Q. Has it a red line on it?

A. It has a red line and S. H. D. on it.

Q. It could not have been a forfeited account then?

A. No, sir.

Q. A missing ticket?

A. It is a delinquent account.

Q. Look at the account of Barnett reported in '66-7.

A. Barnett has a red line and a *D* on it.

Q. It could not be a forfeited account then?

A. No, sir.

Q. G. W. Aris?

A. That stub is in the package. It could not be a forfeited account.

Q. Where is Mr. Aris' account?

A. On page 54, \$5.

Q. What was the amount reported?

A. \$6.27. There was \$1.27 reported by Dr. Douglas.

Q. Could that have been a part of the \$104.25?

A. It could not have been, sir. It could not have been a forfeited account.

Q. Take the account of Sutton?

A. I have no such name among the delinquents of '67-8.

Q. From your examination of Dr. Douglas' annual report, can you state in what manner he has reported forfeits during these 11 years?

A. I find the forfeits reported in '64-5, '65-6, '66-7, '67-8, and '68-9, and think the next are reported in '74-5.

Q. In relation to these accounts you have just passed over, you say they could not have been forfeited accounts, because they have stubs which are red-lined and the letter *D*: would they not have appeared in Dr. Douglas' report as forfeited deposits if Rose had so reported them to him?

A. These accounts that we have just gone over? No, sir; they could not. If they had not been reported to him, of course they would be unsettled accounts; but some of them could not be forfeited accounts, because we have the tickets here.

Q. Suppose a settled account is reported as a forfeited deposit; would it not so appear in Dr. Douglas' report?

A. A majority of these we find in the report.

Q. I refer to those that do not appear in the report?

A. There may be accounts if they are not reported that would appear as forfeited accounts; none of these that we have gone over.

A. Are there not cases of this kind all through the accounts?

A. There are not.

Q. Do you understand what I mean,—cases that appear as forfeited deposits in Dr. Douglas' accounts, that appear on the ledger to be settled accounts, all through the books?

A. No, sir. There are several years that there are not any forfeited accounts appearing, but there are some existing.

Q. When they do appear are there not cases of that kind? I do not mean all through. In other words, does not Dr. Douglas report as forfeited deposits a great many accounts in the course of these years which appear on the ledger to have been settled accounts?

A. I don't recall any.

DR. DOUGLAS RE-CALLED—FEB. 27.

Witness—I wish to state in the first place that no account can be declared forfeited until it is made; and any application of this \$90 which appears entered as the first item, and as usually the case when these forfeited accounts are

made, the first item of the year '67-8,—that is, it was made probably in July, '67. It therefore could not apply very well to any account made in the working year of '67-8, which is from October, '67, to July, '68. The first item in July, '68, appears upon my book as forfeited accounts returned, \$90, and apparatus \$14.25. Those two in the reports were placed in one item. There is no date opposite to this, but in my original entry it appears as the second item, and also in the report as the second item. Now, the rule in all these cases of the application of forfeiture,—I have here the last of the reports of delinquent accounts of that year (taking '67-8, the first part of the year). Any forfeiture that was charged in the account of that date must apply to accounts that have been made at a previous time; cannot apply to accounts that are back of that very well. Now, this \$90 must apply to accounts prior to the beginning of the year '67-8, and it would take the oldest accounts on the list. Sometimes an account will stand upon the ledger perhaps a year or a year and a half or two years before it is reported,—before it is absolutely certain that the man will not resume his work; and hence I say it applies to accounts prior to that period, and the accounts prior to that time must absorb it. Now, in the years '64-5, '65-6, and '66-7 there are deposits unaccounted for undoubtedly at the time that \$90 credit was made. These accounts were looked up, and whatever was left behind was brought up to that period. It must therefore include these names in all probability. I cannot say positively that it includes them, but it must be credited somewhere to prior dates than '67-8; and of those accounts we find G. W. Burnett, A. Field, C. H. Allen, F. N. Wilder, and D. Chapman,—three accounts for '64-5, of \$10 each, and one of \$5; and I have brought them out on the margin of my list of delinquent accounts; and I claim that that \$90 applied to those accounts. The \$4.25 refers to the sale of apparatus that took place in '65-6, and that appears upon the report of Mr. Tregaskis. Where the \$10 comes from I am unable to say. Now, of course, at this time, after an interval of 10 years, it would be utterly impossible to say to what this \$104.25 applied; but that it applied to forfeited accounts is unquestionable. It must absorb those accounts,—those accounts of former date of which the entry was made.

Q. Do you swear that for the first five years you did not report the forfeits of each year in your annual report for that same year in which they occurred?

A. It is not usual to apply them in the same year. I reported them just as Dr. Rose reported them to me in every case.

Q. Do you swear for the first five years you did not report forfeits of each year in the annual report for that same year in which they occur: do not the reports so show?

A. I don't know how the reports show. Of course they show for themselves.

Q. If they show you did, you did do it?

A. I did, of course. It is an unusual thing, and in the year '74-5 they do not show it.

Q. For five years did you not report the forfeits for each year in that way?

A. If there were no reports in '67-8, and [on?] the first of July, to be made of forfeitures, of course, I could not report them in that year. This entry of \$104, the \$90 could not apply to if it had not been made.

Q. You say that these went in your book in July, '67; Austin's account September 6, '67; Brooks, September 25, '66; Burnett, October 7, '67; Isgrig, September 21, '67; Pomeroy, February 21, '68; Welsh, October 1, '67. How is it that these accounts are entered there before the student came to the laboratory and made his deposit?

A. I am very dull of comprehension, or something is the matter. Those accounts, as you name them, were open. The deposits made,—for this entry of forfeiture was made July, '67. July comes before September. The entry on my book of \$90 on forfeiture accounts was made in July, '67. These accounts were made in the fall of '67.

Q. Will you give us what this \$104 is made up of?

A. I have not made any statements to what it does apply. I made a statement of what I supposed it to be. I said at this time that I cannot state. I suppose it to apply to those accounts, for there are no others that it could apply to. It is reasonable to apply it there. I have given a list of what I supposed it to be made of.

Q. Do you mean to swear that you know that items are entered in your book upon the date it bears date? if so, please state how it should happen that frequently the accounts are so far reversed as to make May appear before January, and 1873 after 1874, and various other such inconsistent entries?

A. I do not mean to swear that entries are made in the precise order of date. I say that is a simple scratch-book, and I believe when I made my report of '66-7, or soon after that, I picked up the outstanding forfeitures as is common, and entered them there as the first item of entry. If it has anything of the appearance of having been entered recently I submit I am wrong. I would not presume to say. I could only swear as to what appears upon the book and upon my report. It appears upon my report as the first entry of '67-8, and I have no reason to suppose it was not entered at that time. I only claimed with reference to that \$104 that it should apply to some forfeiture account prior to '67-8. The ground that Tregaskis states, if I understand him, is, not knowing the individual accounts that it applied to, he does not apply it all. He gives me no credit for it, and thus makes me pay it twice.

Q. Do you swear that you know what items made up this \$104.25?

A. Only on general principles. I say it is a very simple thing to apply on accounts that have been made of a prior date, and not of an after date.

By Mr. Newcomb:

Q. Have you any evidence before your mind to show us what the item of \$6.40 is made up of?

A. No, sir.

Q. The \$40?

A. The \$40 was the portable furnace that had been in use several years at the laboratory. They changed the mode of heating and another furnace was put in,—a brick furnace,—and the portable furnace was sold to Mr. Wind, and this is the proceeds.

Q. Do you know when you sold it?

A. I sold it at that time in that year.

Q. What time was it?

A. July. It might have been in the fall of that year. I don't remember when I sold it.

Q. You have no evidence, have you, of the time you sold it?

A. I think I sold it in December.

Q. That bears no date,—does it?

A. No date.

Q. Do the accounts above bear any date?

A. No, sir.

Q. There is no date to either of those accounts?

A. No, sir. I have a credit for the assistant warrant here on my books. I think the warrant was issued on the 1st of July, which is after the forfeiture entry.

Q. That is the warrant,—is it?

A. Yes, sir.

Q. Can you give the number of the warrant there?

A. I could not here. I can find it readily.

Q. What is the amount of the warrant?

A. \$137.50.

Q. Were there not a great many such warrants?

A. Yes, sir.

Q. Unless you have particular day and date could you tell which one it was?

A. The assistant warrant is entered here, and then it is not carried out but placed in a special report which I have accounted for. An entry was made here of the assistant warrant, and then transferred to a special account, which was reported as has already been stated. That warrant was there on the first of July or the first of October,—probably the first of July.

By Mr. McArthur:

Q. I would like to inquire whether that book contains original entries?

A. Yes, sir. I don't know that there has been a scratch of a pen or pencil.

Q. I mean, is that the first place they were entered, or did you get them together from other books?

A. No, sir. This is the first place they were entered. I made no entry otherwise.

Q. You generally did it at a day,—did you not?

A. As I said Yesterday, I perhaps am careless about dates. No doubt I am.

Q. If one year appears, '73 for instance, later than '74 in the book, how would you account for that?

A. When we get along into January you very frequently make a mistake of the year. I presume there are mistakes of that kind here. I do not see how there should be any variation of that extent unless in that way. It takes me until February or March before I can get to writing '77, after writing '76; and I suppose we are all the same, more or less.

By Mr. Hinchman:

Q. Have you a summary made up of the deficiencies from '64 to '76?

A. I have the list.

Q. What do you make the total amount to be?

A. I have not footed it, but I do not disagree with Mr. Tregaskis materially. There are some items where we disagree, but they are substantially alike. I don't think there is any occasion for disagreeing except in such points as I have already stated,—this \$104.

Q. I understand you did not foot these to see whether you agreed exactly?

A. No, sir. I have compared item by item; I traced them through this morning; I did not see any disagreement; I checked them off as he read them this morning.

There is a question that was up yesterday that that I have a word to say about,—the question of these warrants.

Q. How do you explain those?

A. I have reviewed that work. The theory that it applies to erroneous footings is entirely incorrect. I have here the errors of footings that were made by Regent Walker at the time that he was examining the account.

By Mr. Mills:

Q. The errors that were determined by him, or his errors?

A. The errors that were detected and determined by him and others. They went over all these reports very carefully.

Q. Not his errors?

A. No, sir.

Q. How do you explain that bank check and the receipt from Mr. Weeks,—both dated the same date?

A. I really have not had time to look that over.

Q. The salary that was due him was \$40?

A. Yes, sir. I find this among the vouchers appertaining to this assistant account. I found this check with Mr. Weeks, and I supposed it to be a proper voucher; and whether it is or not I do not know; if it is not, I have made an error.

Q. Where did you find those two \$50 vouchers?

A. I cannot apply them.

Q. Where did you find them?

A. They were found among the packages here.

Q. With the vouchers that accompanied the annual reports?

A. I think they were, but they are not charged. At least one of them I cannot find in the annual reports. There is a \$50 voucher that seems to be missing. Those vouchers were all numbered on the back number 23. This is of a different date, and has no number on the voucher. The other \$50 one I am unable to find. I don't know but others can find it.

Q. Didn't you find that they corresponded with entries on your special report?

A. I supposed of course they did. I applied them there.

Q. They should not then be with the other vouchers?

A. That is what I say. Not finding them in my regular account, I thought inasmuch as this money has clearly been paid to Dr. Rose, and was money that must be applied to this \$100,—for there is no other application that can be made of them that I can see.

Q. They cannot apply to both?

A. They are not made to apply to both. The best way, if the committee have time, is to go right through and check them off on both reports. It is a very important matter. I only desire that they shall be checked off, that is all.

MR. BRIGGS RECALLED—FEBRUARY 27.

By Mr. Taylor:

Q. How do you account for this \$104.25?

A. I find in examining Dr. Douglas' annual report that at the end of '64 he reported the forfeited accounts that occurred in that year; at the end of '65-6 he reported the forfeits that occurred in '65-6; at the end of '66-7 he reported the forfeits that occurred in that year; in '67-8 he reports in gross \$104.25 as forfeited certificates. I find, in examining, that there are six forfeited accounts: Austin, Brooks, Barnett, Isgrig, Pomeroy, and Welch. That makes \$60. I also find that there are stubless accounts to the amount of \$30, and an apparatus account to the amount of \$14.25. Dr. Rose's memorandum book shows these accounts; also shows that they were returned to Dr. Douglas this year, and should have been reported. That would make \$104.25.

Q. In order to make \$104.25 you include \$30 of stubless accounts?

A. Yes. Apparatus \$14.25, and forfeitures \$60. This all occurs during this year. He reports the forfeited each year in which they come for every year preceding this covered by this examination. According to Dr. Douglas' statement of the \$104.25 we would have to place this money in two reports, to place it where he claims it belongs,—place it back through two reports, each of which reports forfeits. \$65 of that money I have shown you were accounted for elsewhere, and could not be in the \$104.25. Therefore this is the only thing to which it could apply.

Q. In whose employ are you?

A. I am in the employ of Mr. Beal and Dr. Rose. Dr. Rose first employed me in this case, and then Mr. Beal.

Q. In whose employ have you been for the last two or three years?

A. I have been in my own. I am my own master. I am in nobody's employ, unless it is in a case like this.

Q. How much of your time since September, '75, has been occupied in investigating the laboratory deficit, Dr. Douglas' accounts with the University, and in attending investigations in relation thereto?

A. I commenced, I think, the first of May, and some time in June I left it until some time in February, I think. I had nothing to do with it until this present case came up in some time in February.

Q. Who paid you for such services?

A. Mr. Rose paid me partly and Mr. Beal partly. I will state that I was doing some work for Mr. Beal also at this time. I had an unsettled account with him, and part of this was included in the account with Mr. Beal.

RICE A. BEAL SWORN—FEB.—27.

By Mr. Taylor:

Q. Where do you reside?

A. Ann Arbor.

Q. What is your profession?

A. Printing and publishing business.

Q. What do you know about this case?

A. Dr. Rose was suspended from the University the last of December, 1875, and at that time the following resolution was introduced:

"Resolved, That the executive committee be instructed to arrange with Dr. P. B. Rose if possible for an immediate legal investigation of the charge of the University against him. If no arrangement can be made, a civil suit to be commenced against him as soon as possible."

In March the Board of Regents met, and I went before the Board and said that there had been two reports before them, both of which agreed in the one fact that there was a large deficiency, and the question now was, who was responsible for it?

Q. You went as an attorney or agent of Dr. Rose?

A. I went as a friend of Dr. Rose. I spoke in his behalf, and I said that some one was responsible for it. I said Dr. Rose has in his possession papers which he will be pleased to lay before the Regents; and I said also that this deficiency of \$8,000 you will all agree with me is somewhere, and in somebody's hands; and you will also agree that it must be refunded to the State, which no one wishes to be a loser. Rose is comparatively a poor man. He has a house valued at \$4,000, subject to mortgage of \$2,000. If this \$8,000 comes home to him, the present deed you hold only secures you \$2,000 at best. You will per-

ceive that the proposition I am about to make will guarantee the University the full amount, in case of the guilt of either Douglas or Rose. The proposition is as follows (it can be put in proper form by the four lawyers I see before me) :

"I am willing within 10 minutes to enter into bonds and give security to the amount of \$50,000, which shall be satisfactory to the Regents and *Dr. Douglas himself*, to pay all deficiencies that may be proved against Dr. Rose, on condition that the \$831.19 paid in November last, and the deed of his house now in your possession, be returned to Dr. Rose; provided that Dr. Douglas furnish security to the same amount for the payment of all deficiencies that may be proved against *him* since he has been the financial agent of the University. As soon as the accusation was made against Rose, he was immediately suspended; and I now ask that both these men, Douglas and Rose, be placed upon an equal footing: and that these proposed bonds be now drawn out and entered into. I am extremely anxious to enter into them, and am willing to trust the arbitration of this case to three gentlemen of the Board of Regents, who were not on the original 'Douglas committee,' and who, I feel sure, when they see the evidence, will decide fairly and honestly."

The result of the Regents' meeting was the passage of the following resolution:

"*Resolved*, That Dr. P. B. Rose be and is hereby reinstated in his position of Assistant Professor in the University, and that he be paid his former salary, including the months of his suspension since January 1st, 1876."

In April I sent the following open letter:

"*To the Regents, President, and Treasurer of the University of Michigan* :

"Last November Dr. Douglas, who has had entire control of the laboratory for twenty-five years, succeeded in making a majority of your number believe that his assistant, Dr. Rose, was a defaulter to the University to the amount of about \$4,000. You at once asked and obtained of Dr. Rose a deed of his house and lot to indemnify the University against loss. This house and lot was not worth over \$4,000, and was mortgaged for \$2,000. This was every dollar of property that Dr. Rose had; so that if he was really a defaulter to the amount you supposed, you only had security for one-half the amount. On the 21st day of December he was suspended. On the 28th day of March following he was reinstated and paid his back salary; and on that same day the committee appointed by you the 21st day of December to thoroughly examine the accounts of Dr. Douglas, reported that he had received into the laboratory \$8,500 more than he had paid over to the University. At that time Douglas claimed that Rose was responsible for the most of this amount, and Rose claimed that Douglas owed all of it. At that time I offered to give you security in the sum of \$50,000 to pay any sum that might be found against Rose if Douglas would do the same. That offer was not accepted, and neither you nor Professor Douglas have shown any disposition to accept it. I now make you another proposition, which I think, if accepted, will save the University at least some of the money that honestly belongs to it:

"I will enter into bonds in the sum of \$20,000, offering to pay any sum of money that may be found either honestly or dishonestly in the hands of Dr. Rose, providing Dr. Douglas will enter into bonds to the same amount to pay over to the University any money that he has in his hands, either honestly or dishonestly, belonging to it, the whole matter to be left to the arbitration of three men, whose decision shall be final,—these three men to be selected by the Governor of the State of Michigan, the Hon. John J. Bagley.

"Gentlemen, is this plain English? Do you understand what it means? If you do, why not show the same zeal to get security for what is due the State, that you did last November?"

"Respectfully yours,

R. A. BEAL."

No answer or attention was ever given to this proposition by the Regents. After the middle of May, by the advice of one of the Regents, or by a suggestion made in a conversation why my proposition had not been accepted, I caused the following bond and papers to be deposited with President Angell, which I expected would cause him to call a meeting of the Board of Regents immediately. On May 18th, Mr. Sawyer and myself called upon the President, and we requested an interview. Douglas and Angell refused to have anyone present except Sawyer and Rose. Sawyer decided to have his interview with Douglas and the President alone, as Dr. Rose was not present. He presented to President Angell the articles of agreement, and bond executed by Dr. Rose and his sureties, and requested him to receive them on behalf of the University. The papers were left with Dr. Angell. Here is the paper:

"WHEREAS, Controversies exist and for a long time have existed between the Board of regents of the University of the State of Michigan and Dr. Silas H. Douglas and Dr. Preston B. Rose, both of the city of Ann Arbor, and the State aforesaid,—

"In relation to the amount of money belonging to said University which has been received by said Silas H. Douglas during the period of time he has been connected with said University, or for which he is legally liable, and as to whether or not the said Silas H. Douglas has legally expended or properly accounted for said moneys or still retains in his hands a part or portion thereof which legally or equitably belongs to said University;

"And in relation to the amount of money belonging to said University which has been received by said Preston B. Rose during the period of time in which he has been connected with said University, or for which he is legally liable, and as to whether or not the said Preston B. Rose has legally expended and properly accounted for said moneys or still retains a part or portion thereof which legally or equitably belongs to said University;

"And in relation to diverse matters and subjects growing out of the relation or connection which the said Silas H. Douglas has sustained to and with said University, and the manner in which he has conducted the business thereof, as well as the relation he has sustained to said Preston B. Rose since his connection with said University;

"And in relation to diverse matters and subjects growing out of the connection and relation which said Preston B. Rose has sustained to and with said University, and the manner in which he has conducted the business thereof, as well as the relation he has sustained to said Silas H. Douglas since his connection with said University;

"Now, therefore, we the undersigned, the Board of Regents of the University of the State of Michigan, and Silas H. Douglas and Preston B. Rose, do hereby mutually covenant and agree to and with each other to submit all, and all manner of action, cause and causes of action, suits, controversies, claims, and all demands now pending, existing, or held by and between us or either or any of us, which exist or ever have existed by reason of or in any manner arise from or grow out of the relation or connection which either or any of said parties have heretofore or do now sustain to said University or any department thereof,

to any three men which Hon. John J. Bagley, Governor of the State of Michigan, shall name or appoint as arbitrators, who or any two of whom shall arbitrate, award, judge, or determine of and concerning the same, with power to award the payments of the costs incurred in such arbitration.

"And we do mutually covenant and agree to and with each other, that the award to be made by the said arbitrators or any two of them shall in all things by us and each of us be well and faithfully kept, observed, and performed.

"And we do further mutually covenant and agree to and with each other, to waive all rights which either of us may have acquired under or by reason of the statute of limitations, and hereby mutually agree that the said statute of limitation shall not be claimed as a bar to either or any of the actions, cause or causes of action, suits, controversies, claims, and demands aforesaid; and that said arbitrators, or either or any of them, shall not be governed, controlled, or in any way affected or trammelled in the investigation of the matters hereinbefore mentioned, or in making up the matters and charges of debit and credit entering into or constituting either in whole or in part their said award by any statute of frauds or statute of limitation or any other law or rule of limitation of action, or by any previous settlement or settlements made by and between said Douglas and said Rose, or by and between said Douglas and said Board of Regents, or by and between said Rose and said Board of Regents.

"And it is further mutually covenanted and agreed by and between said parties that said Silas H. Douglas and said Preston B. Rose shall each make, execute, and deliver to said Board of Regents simultaneously with the execution of this instrument, a bond in the penal sum of twenty thousand dollars, with two or more sufficient sureties, to be approved by the said John J. Bagley, conditional that if the obligor in the respective bond mentioned shall well and truly submit to the decision and award of the said arbitrators or any two of them, and shall in all things stand to, abide by, and perform the same without fraud or delay, then the said obligation to be void, otherwise to be and remain in full force.

"And it is further understood and agreed that this agreement, together with said bond, when the same shall be executed and delivered as aforesaid shall be deposited with the said Governor, the Hon. John J. Bagley, during the pendency of this controversy, in trust for said University, and that within twenty days after the same shall be executed and delivered to said John J. Bagley, as aforesaid, he shall proceed to select and appoint said arbitrators and give the proper notice thereof to the parties to this instrument.

"*Provided*, However, and this agreement is upon the express conditions following, that is to say:

1st. All meetings of said arbitrators for the purpose of taking testimony, receiving evidence, or hearing the arguments of counsel shall be upon reasonable notice thereof to all parties, shall be open to the public, and shall be held in the said city of Ann Arbor; and,

2d. That said arbitrators shall as soon as may be, proceed to a hearing of said matters in controversy, and shall make their final award therein in writing under the hands of said arbitrators or any two of them ready to be delivered to the parties hereto on or before the first day of January, A. D. 1877.

"PRESTON B. ROSE. [L. s.]"

Our bond was filed in the sum of \$20,000. I do not know that there is any use in reading that. The Regents were not called together, and strange as it may seem the President did not deem the above of sufficient importance to lay

it before the Regents at their June meeting a few days after, and I cannot learn from any source that the attention of the Regents has ever been called to this bond that we deposited there.

Q. Was it published in the paper?

A. I presume so.

Q. Before the meeting of the Regents in June?

A. I presume so; I generally put everything in the Courier.

June 2d, at the time this committee of McGowan, Grant & Co. met, Mr. Sawyer, counsel for Dr. Rose, asked the committee if their decision was to be final. Regent McGowan answered that it would not be at present, as the duty of the committee was only to get at the facts of the case, and then call, at some future day, a meeting of the full Board of Regents, and submit what they had found to the Board, and then the Board would take such action as it was thought proper. Mr. Sawyer said that Dr. Rose was a poor man, and was anxious for a final settlement of the case at the earliest possible moment; and that this action of the committee was not binding upon any one until their action was submitted to a full Board of Regents, and that neither Rose nor Douglas would be under any obligation to abide by the result. Mr. Sawyer said that what he wanted was quick, decisive, and honest action. He wanted no delays. His only purpose was to have justice speedily done, and to show the sincerity of his words, and that he meant just what he said, he would make the four following propositions. In order to show the committee that it had the power to accept either of the propositions, he read the resolution passed at the March meeting of the Board, under which this committee is now acting, and which is as follows:

“Resolved, That the special committee appointed to determine to whom the deficiency in the laboratory should be charged, be and are hereby instructed to arrange for and obligate this board touching the settlement of any and all questions in dispute, in case said committee deem such course wisest and best, by arbitration or by amicable suit.

“The propositions made by Mr. Sawyer are as follows:

“1. The first proposition made by Mr. Sawyer was the one that has appeared in the Courier for the last two weeks, the substance of which is that a disinterested arbitration of three men decide the whole matter at once, and that both parties give bonds in the sum of \$20,000 to abide by the result.

“2. The second was a bond signed by Dr. Rose, R. A. Beal, and Dr. R. S. Smith, President of the Ann Arbor Savings' Bank, in the sum of \$10,000, for the repayment to the University of any amount of money that may be found in Rose's possession by any court of competent jurisdiction, or any impartial tribunal, within 60 days after the rendition of such final judgment or award, provided that the Regents should deed back to Dr. Rose his house and lot, and pay him back the \$831.10 which Rose claimed he had wrongfully paid to Douglas.

“Mr. Sawyer's third proposition is as follows:

“3. I will join issue here and now with the Regents of the University of Michigan in an amicable suit, and proceed to trial on this issue on the coming June term of the circuit court of the county of Washtenaw, and to give bonds not to ask for a continuance of the case beyond the term, and also to give bonds of \$10,000, to be approved by the Regents, that Rose shall pay any judgment within 60 days after the rendition thereof.

“Mr. Sawyer's fourth proposition is as follows:

"4. Mr. Rose will go before the Board of Regents, and introduce his testimony, present his case, and give bonds to abide by the decision of the Board of Regents if Douglas will do the same, and will go trial as soon as the Board can be got together by telegraph or otherwise, or go before the full Board of Regents without giving security. He would do just as the Regents said about giving security."

Mr. Sawyer said that he did not wish to have it understood that he was personally hostile to any of the committee of three, for he was not; but he did not wish to submit the case of his client to the Board of Regents through second or third hands, and his reasons for not doing this, he stated, would be readily understood by two of the committee, who were lawyers; "for," said Mr. Sawyer, "no jury can tell as well about testimony in reading it as they can to see the witness on the stand,—to see what his appearance is and how he acts." He said that on account of the great number of committees that had heretofore been on this case he thought the fair way would be to join issue in court at the June term, or submit the whole matter to a whole fair and impartial arbitration by outside parties, both parties to give bonds to pay all that may be found against them. But if they would not, he would submit, and try the case before a full Board of Regents, and agree to commence the case in fifteen minutes after the Regents are got together.

McGowan, Grant and Estabrook refused to accept any of the above propositions. Something must be done at the time. Here was a committee which Rose felt to be hostile to him, one member of which had signed a report against Rose containing over \$1,300 of errors, and had also refused to vote to reinstate Rose when he was shown to be in an error. To refuse to go before this committee, that had been appointed by a full Board of Regents to examine into the whole case, and report to a full Board at some future day, would be disrespectful, not only to the committee, but to the whole Board of Regents, and would still more prejudice the committee against him; and to go on with the case, without putting in his full testimony, would do no good, and to put in his proofs without having Douglas in any way bound by the result, would be simply putting himself in the hands of the enemy. A counsel was held by Rose's friends. The result was that Rose and his friends decided that they had no money to engage in mimic warfare for the amusement of the public, or for the instruction of Douglas and his allies. Mr. Sawyer was instructed to go before the committee next morning and make two more propositions. Mr. Sawyer went before the committee, and made the two following propositions:

"Call the full Board of Regents together by telegraph to-day. We will pay all expenses for the time of the five Regents to come; we will go before them, present our whole case in six hours, and give bonds in the sum of \$20,000 to abide the result. All we ask is that the decision shall be final, as far as the money part is concerned."

Mr. Sawyer then made his second proposition, which is as follows:

"Dr. Rose will enter into bonds in the sum of \$20,000, if Dr. Douglas will do the same, and will go before this committee, and present without delay all the facts, the decision to be final."

This proposition was also refused.

Q. Do you remember why they refused it?

A. They looked over to Pond and Hughes, and they shook their heads; that is the reason. The counsel on the other side objected to it.

Q. Didn't they give any other reason in their report?

A. I think they did. I think they gave some other reason, but I do not consider that was the true reason.

Q. You did not think so?

A. No, I did not. They may have thought so. I know I was anxious to get a settlement of this matter, and I had the charge of all these different propositions, and I made them in every shape that I could think of in order to give a settlement.

By Mr. Hinchman:

Q. Did you make yourself offensive in any way to the Regents?

A. I am inclined to think I did with some of them. I endeavored to keep on good terms with them for some time, but I found I could not. One of them told me he would shoot me, and I probably made myself a little offensive.

Q. Did not Dr. Douglas refuse to accept all those offers, or to recognize Rose in any way, and did not the committee thereupon say to you that they could not accept the bonds?

A. That is what I meant to be understood. I will state still further that when the Board did meet in June, Mr. Sawyer went before them and begged them to hear his case when there was six Regents present. Two of them were absent,—Mr. Rynd and Mr. Cutcheon. They refused by a vote of four to two. Four voted against hearing Dr. Rose. I will simply state that the Board of Regents with one exception having offered to hear Rose, that committee of three, the head of which Dr. Douglas was, were willing to hear him but they would go before them, Dr. Rose was very anxious to appear before the Regents, and they refused to hear him.

By Mr. Taylor:

Q. Did you make any other proposition or arbitration that was accepted by Dr. Douglas?

A. No, sir.

Q. Sure about that?

A. Yes, sir. I made a proposition in October which he pretended to accept, and when I invited him to come and put up the papers they backed out. He accepted and backed out.

Q. What was that proposition?

A. Another open letter, which is as follows:

October 20, 1876.

“TO SILAS H. DOUGLAS, ESQ.,

“*Dear Sir,*—Some months ago you commenced a libel suit against me in the circuit court of this county, laying your damages at \$50,000. For reasons well known to all, the suit did not come off at the July term last. I surely expected that you would bring it on at the next term; but you have failed to notice the case for trial, so the suit goes over to some distant day in the future. Now, Mr. Douglas, this failure on your part to bring on this suit looks to me as though some other way of trying the case would suit you better, and I am led to this conclusion from the fact that at the last term of court your attorneys tried to have referees appointed in some other cases in which you are interested.

“I make you the following proposition: I will submit this matter in controversy as to the guilt or innocence of yourself and Dr. Rose to Hon. John J. Bagley, of Detroit, Hon. Wm. L. Webber, of Saginaw, Judge Huntington, of Mason, Hon. C. M. Croswell, of Adrian, and Hon. Wm. McCreery, of Bay

City, the decision of these men to be final—no appeal. In case their decision is in your favor and against Rose, I am to pay you fifty thousand dollars for your own *private use*, to do with as you see proper. If the decision is in favor of Dr. Rose and against you, *you* are to pay the sum of fifty thousand dollars,—ten thousand to go to Dr. Rose, and forty thousand dollars to go to the University to endow a chair to be called “the Rose professorship;” both parties to give bonds to be approved by these five men, for the faithful performance of the agreement.

“The above are all prominent men. One is the Governor of this State, one is the Republican candidate for Governor, one is the Democratic candidate, one is the judge of this district, and the other the Treasurer of this State. If these men will not act as arbitrators, they are to select three or five men to act in their place. If this offer is not in proper legal form, the arbitrators are to have the privilege of putting it into shape. This offer is made with the confident hope that it will be accepted, and the vexed question be settled at once and forever.

Respectfully yours,

“R. A. BEAL.”

Q. Did Dr. Douglas accept that?

A. He pretended to accept it.

Q. He wrote you a reply accepting the proposition,—didn't he?

A. He pretended to, although I saw in the letter he intended to have the public believe—I say we will assume that.

Q. Will you produce that letter?

A. I have not got the letter. I have no use for it that I know of.

Q. You published it?

A. I think I published it in the Courier. I wish I had it here, I would like to read it.

Q. You never took any steps to effect that arrangement?

A. Yes, sir.

Q. What did you do?

A. In the first letter he referred me to Mr. Kinne, his counsel. I wrote Mr. Kinne inviting him at once to go right to Detroit and get quarters and confer with Bagley, and enter into bonds, and make the arrangements; and he wrote an insulting letter in reply to it, and said I could go ahead; but he refused to go. That is the amount of it.

Q. Have you got that letter?

A. It was published at the time. I have not got it here. If you feel proud of it you had better introduce it.

By Mr. Taylor:

Q. Did you ever state to any persons since this defalcation was discovered that you knew Rose to be a guilty man?

A. I think I have.

Q. When?

A. I cannot recall those precise words, but I recollect making some severe remarks about it. They were made some time in the month of December, '75, and I wish to explain how I made them, and why I came to make them.

Q. Explain.

A. At the time it came out in the Detroit papers that Dr. Rose was an embezzler of the funds of the University, I happened to think that a spell before

he had borrowed some money of me, and I started and traced that money right up to the University and found the money he had borrowed of me, and gave me a mortgage on his house. He had paid it into the University. Bennett showed me on the book where he paid it in. That satisfied me that Rose was guilty. Still, to make sure, I went to the President of the University, and said to him, and Bennett too: "Rose is a poor man; here is this mortgage that I have held for years on this place; it is with difficulty he had paid the interest. I know of no other property that he has had, and I know he has lived with the utmost frugality and worked hard, and I do not know of any bad habits he has; and it seems singular." But I saw that the money was paid in, and the President told me that he had examined into it, and I left them and went home, making up my mind that Rose was a thief; and I recollect at my own table, Professor Steere and some other friends were there, and they and my wife were making arguments. I recollect they said,—two or three women,—“Mr. Rose has never gone to parties, has not spent \$10 on parties or anything of that kind; they have lived economically, and they have rented the front rooms of the house and lived in the kitchen; what has he done with the money if he has stolen it?” And I turned to them and I said, “All that I know is that Dr. Rose is a thief. He borrowed the money of me and went and paid it to the University. The President tells me so. I don’t want to hear thing else, he probably has sunk it. We don’t *know* anything about it;” and at different times I may have expressed myself in that way. I do not feel very proud of it. I said to two or three or four members of the church, “Do you propose to keep this thief in your church? Can’t you make any efforts to get him out?” That happened along in December or March. I do not feel very proud of making such remarks. Facts came to my knowledge afterwards that showed me I was mistaken.

Q. Have you made any remarks about Rose’s guilt since that time?

A. Not since I found he was innocent. I found he was innocent some time in the fore part of January,—about the middle of January. Since that time no living soul has heard me make that remark.

Q. Have you never made any admissions of his guilt to Rogers and Kinne?

A. No, sir; and nobody will say so. If they do they will tell that which is not true. I don’t know what they would swear to,—some of them.

Q. Did you not state some time last summer to Henry W. Rogers that you hoped he did not think you were “such a damned fool as to suppose Rose was an innocent man?”

A. No, sir. I never made such a statement as that. I will simply state that that question is simply asked for the purpose of getting some more witnesses up here, I presume.

By Mr. Newcomb:

Q. Might you not have said so a year before?

A. Just as like as not. I said it in December. I made some very severe remarks that I am ashamed of, because some of Rose’s particular friends, the associations he belonged to, seemed to be sure he was innocent because he did not have any property; but when the thing was so plain to me as it seemed to me, I was vexed, and I made some remarks publicly and privately that I have been sorry for a great many times since. I made some harder ones than you have given here; and the reason I made them was on account of seeing men

rush to his defense on grounds that I did not think honest men would. I did not think they were proper grounds.

By Mr. Phelps :

Q. At that time you had made no examination of any books?

A. Not myself. I took just what the President told me, and the fact of Rose's borrowing money of me and giving a mortgage, tracing it up——

Q. What did he tell you the money was for?

A. I did not ask him. The security was good. He did not tell me.

Q. Did you not state to Mr. Kinne, some time last summer, that Rose was guilty as hell, and the Regents a set of damned fools for discharging him?

A. No, sir; nothing of the kind. I think I did make some remarks about the Regents that were not very complimentary,—two or three of them; but since the middle of January I never have wavered a particle. There is the evidence on the face of it. I have spent thousands of dollars in money, and offered to enter into these bonds. It is inconsistent for any man to ask such questions.

By Mr. Hinchman :

Q. What was your motive for backing Rose?

A. I will state that Rose was a comparative stranger to me. If I know myself (sometimes I think a man don't know himself thoroughly),—if I really know myself, my only motive was a good one,—that Rose was a poor man and defenseless, and on his back. I saw he was an innocent man, and unless I took hold of it there was no chance for his innocence to be established. I saw the complications that were around the man, and deliberated almost two weeks before I fairly made up my mind to enter into the conquest. I knew what was before me,—the loss of this University patronage, and the men that Dr. Douglas controlled, and I counted it all over before I commenced the conquest; and I felt I had a duty to perform, and I took hold of it, and I had no other motive, as God is my judge, except a laudable motive to do good. That was my only motive; and all the reward I expect to reap from it is the approval of my own conscience, and ages ahead, if we are ever gathered up, I think it will come up to my credit. That is about all I expect out of it.

Q. What first changed your mind?

A. Dr. Cocker, about December 6 or 7 or 8, and one or two others, I don't recollect now, came to me and wanted me to take hold of it; said they were satisfied that Rose was an innocent man. That was after I had been up and ascertained that he was guilty. I ordered them out of my office. I said, "If your little one-horse organization will defend a man, right or wrong, I don't want you to come in here and talk with me;" and I ordered them out of my office, and they went out; and some four weeks after that—I can't tell precisely how long,—Dr. Cocker came to me with a year's statement worked up in this very year, where they claim Rose had paid back \$600 or \$800. He came with that year's statement, came in and laid it down, and handed it to me and said, "look at that." I took it up and looked it over, and said "this looks very well in figures." Says he, "Suppose that year's business is just as it is figured there, what have you got to say?" I said, "I have got to say, that I have abused Rose and abused his friends: that is all;" and says I, "You leave that paper with me;" and I got Mr. Briggs to look it over, and I think Mr. Tolchard and Mr. George. They told me that year's business was correct.

Q. What year was that?

A. That must have been '73-4 or '74-5; and when I looked that over I felt vexed at myself to think I had abused Rose and his friends; and Mr. Cocker and his friends said they had not got a dollar in money; that it was going to take a good deal of money, and they thought I ought to take hold of it. I went up and talked the matter over with my wife, and after a couple of weeks' deliberation she thought as I did; and I felt under a little moral obligation to take hold of it from the fact that I had taken such strong grounds against him, which made me feel a little more duty about the thing; and I will state that I never have wavered, whether he is guilty or innocent, I never have wavered a moment from that time that I took up his defense until this.

By Mr. Taylor:

Q. What was the date of this conversation with Cocker?

A. I can't tell the precise date. I am like Silas here: I am poor on dates!

Q. Did you proclaim Rose's innocence to the Board of Regents in December?

A. No, sir. I don't think I had found out his innocence in December. I am confident we had not established his innocence fully. We began to be a little suspicious there was something wrong at that time, but I don't think his innocence was fully established at that time.

Q. Did you not in your paper during the spring of '76 repeatedly represent that the Climie-Rynd report found Dr. Douglas guilty of embezzling the whole thing?

A. If I did not, I think I ought to.

Q. The question is, whether you did?

A. No, sir.

Q. Have you not been a bitter enemy of Dr. Douglas for several years? and has not your paper during all this time been much devoted to personal attacks upon him?

A. No, sir; not for several years.

Q. How many years?

A. I don't know. If the committee would like to have me explain—

Q. When did you begin the personal attacks?

A. Ever since I made up my mind he was a dishonest man, more or less.

Q. How long ago was that?

A. That was when I was on the Board of Railroad Directors with him some years ago; but there have been no "attacks" on Mr. Douglas in my paper particularly until since this commenced,—if you call them attacks.

Q. Didn't you make attacks upon him before that?

A. Not much before this matter. I made up my mind he was very dishonest. I don't think there will be anything found in the paper against Mr. Douglas before this commenced, because I never use my paper as a means of personal abuse of any man. He was a public officer, and I feel that I have a right in my paper to discuss the acts of any public officer; but Mr. Douglas will bear me witness that I have not attacked his private character in any way, but only his public acts. You can't show me a page where I ever attacked a man's private character in my paper.

EXHIBITS.

EXHIBIT INDEX "A."

1872-3, 1873-4.

NAMES.	Time.	Urol.	Tox.	NAMES.	Time.	Urol.	Tox.
Atwood, O. M.		C	--	Calladay, S. W.	19	D	--
Austin, H. W.	18	C	--	Craig	17	D	--
Alter, M. H.	18	E	--	Christie, T. C.	17	E	--
Ayers	16		--	Case, A. G.	17	E	--
1873-4.				Copp, J. M.	28	D	--
Allenman, J. J.	20	D	--	Cummings, D.	28	D	D
1872-3.				Cotton, W. H.	16	D	--
Bradley	19	C	--	Condict, T. D.	22	E	--
Brown, J. W.	16	D	--	Coe, C. W.	29	E	D
Burdick, W. N.	21	D	--	Crofoot, C. M.	30	D	D
Batson, L.	21	E	--	Cox, R. W.	35	E	E
Bigelow, C. S.	15	D	--	Cotton, R. M.	25	E	D
Barrett, C.	19	--	--	Choate, W. E.	22	--	--
Best, R. B.	20	--	--	1873-4.			
Brown, Sara E.	24	D	--	Crane, Kate	--	E	E
1873-4.				Chambers, J. D.	--	E	--
Bullock	19	D	--	Coad	--	E	--
Brindle, Della	23	E	--	1872-3.			
Bonnett, Wm.	18	D	--	Davis, J. A.	21	D	--
Benham	15	E	--	Dote, L. L.	19	C	--
Beach	17	D	--	1873-4.			
Barrett	17	E	--	Duncan	35	D	D
Beebe, E. C.—took Ur. at				Deuel, E. L.	25	E	--
Vt.	--	--	--	Davis, S. B.	--	E	--
Bordner	22	D	--	Davis, L. M.	--	E	E
Broucher, D. K.	35	E	--	1872-3.			
Briggs, J. S.	16	E	--	Evans, T. R.	19	D	--
1872-3.				Ellmwood, E. M.	60	E	E
Chambers, John	15	D	--	Elmer, Emmet S.	21	D	--
Campbell, W.	19	D	--	Evans, E. B.	21	D	--
Call, Miss	27	E	--	Eastwood, J.	22	D	D

EXHIBITS.—CONTINUED.

NAMES.	Time.	Uvol.	Tox.	NAMES.	Time.	Uvol.	Tox.
Ehrhardt, H.	28	D	E	Huntington.	25	D	D
Emery, Z. T.	12	--	--	Hill, Miss N. M.	19	D	--
Egbert, R. E.	20	--	--	Humeston, C. B.	21	E	--
Ford, 19	D	--	--	Hewitt, F. A.	16	D	--
Fullerton, G. E.	19	D	--	Higgins, S. G.	18	D	--
Frazer, J. C.	17	D	--	Hyndman.	16	C	--
Foote, L. A.	17	E	--	Hume.	24	C	--
Flagg, J. H.	23	E	--	Heller.	14	C	--
Fell, S. B.	28	D	D	Harvey.	--	D	E
Frissell, Miss S.	20	E	--	Hicks.	--	--	--
Foster, R.	15	--	--				
1873-4.				1872-3.			
Fosdic, --	C	--	--	Jewell, P. M.	19	C	--
Fritts, --	D	E	--	Johnson, Wm.	20	D	--
1872-3.				1873-4.			
Gee, J. E.	19	D	--	Jones, Gertrude E.	--	E	E
Grannis, W. R.	19	C	--	Jenkins, F. D.	20	D	--
Gelbford, R. H.	16	D	--	1872-3.			
Gaudy, J. E.	20	D	--	Kingsley, B.	7	--	--
Greenfield, J. W.	13	E	--	Kellison, C.	17	D	--
Gundrum, Geo.	28	D	E	Kay, Thomas A.	12	E	--
Haight, A. M.	19	C	--	Kenyon, Mary	5	--	--
Holmes, G. H.	21	D	--	Kollick, H. M.	21	C	--
Hollister, L. E.	22	D	--	1873-4.			
Hall, A. S.	22	D	--	Kenyon, Miss M.	18	D	--
Harley, V.	24	E	--	King, Mrs. M. B.	16	D	--
Hudson, M. F.	19	E	--	Kerr.	17	C	--
Hall, E. M.	15	E	--	Kuhlman, E. L.	--	E	--
Hallock, W. E.	16	D	--	Kimball.	--	D	--
Huntley, Miss E.	21	--	E	1872-3.			
Hunt, W. L.	17	E	--	Leffingwell.	19	D	--
Harvey, S. N.	13	D	--	Little, Mary E.	27	E	--
Huxley, E. E.	14	E	--	Lore, A. Julia	30	E	--
Hudson, C. H.	27	E	D	Lane, Mary J.	17	C	--
Hale, A. K.	23	E	E	1873-4.			
Huntsman, A.	32	D	E	Lowry, G. W.	35	E	--
Harroun, J. H.	21	E	--	Lawrence, T. S.	21	C	--
Hilton.	7	--	--	Lee, Miss M. V.	--	F	--
Haskell.	11	--	--	1872-3.			
Huntington, H.	17	--	--	Martland.	19	E	--
Hyndman.	20	--	--				
1873-4.							
Hutton, D.	30	D	--				

EXHIBITS.—CONTINUED.

NAMES.	Time.	Urol.	Tox.	NAMES.	Time.	Urol.	Tox.
McGregor, J. O.	27	D	--	Place, J. F.	18	D	--
McLeod, D.	17	D	--	Pugh.	--	--	--
Millington, J.	15	E	--				
Munson, J. D.	15	D	--	1872-3.			
McKibben, F. S.	20	E	--	Rayner, E. W.	17	D	--
Moore, N. B.	21	C	--	Richardson, Miss.	27	D	--
McIntyre, R.	15	D	--	Rogers, H. S. (C)	13	D	--
Morgan, A. L.	16	D	--	Rinkle, L. F.	18	E	--
Marr, W. L.	15	D	--	Rice, Scott.	32	--	E
Marshall, N. H.	31	D	D				
Michael, C.	17	--	--	1873-4.			
Milson, Henretta.	20	--	--	Riley,	30	E	--
Miner, W. J.	24	--	--	Rhodes, E. C.	24	D	--
Murdock, F.	13	--	--	Richards, Lizzie T.	23	E	--
1873-4.				Richmond, T. W.	13	C	--
Martin.	24	E	--	Rainier, Elvira.	20	D	--
Moore.	20	D	--				
Moore, S. G.	27	D	--	1872-3.			
Manzer.	17	D	--	Stevens, B. C.	19	D	--
McCaslin.	19	D	--	Small, A. R.	18	--	--
Maclean.	15	--	--	Stuart, C.	17	D	--
Mead, C. W.	22	D	--	Solis, W. H.	15	D	--
Michael.	--	D	D	Short, J. L.	12	D	--
Nunan, D.	19	D	--	Schrage, W.	23	D	E
1873-4.				Stephenson, A. C.	33	--	E
Northrup.	25	D	--	Sanns, John F.	22	--	--
Newkirk.	18	D	--	Stevens, W. C.	24	D	--
1872-3.				Sparhawk.	16	--	--
O'Neill, G. C.	23	C	--	1873-4.			
Phelps, A. M.	21	D	--	Shepard, W.	--	D	--
Potter, LaMotte.	16	C	--	Strong, M. C.	21	C	--
Phelps, H. D. C.	21	D	--	Smith, W. W.	33	D	--
Plews, B. F.	27	D	--	Sims, J. R.	--	D	--
Porter, W. H.	14	E	--	Shoemaker.	19	E	--
Porter, J. J.	14	D	--	Sidlinger.	--	D	--
Pease, E. E.	20	C	--	Simms.	14	C	--
Perrin, T. A.	14	D	--	Shepard, O. E.	--	D	D
Parker, A. E.	13	D	--	Senier.	--	E	E
Porter, C. V.	13	E	--	Stockwell, Mrs.	--	D½	--
Phelps, H. C.	13	--	--				
Putney, L. S.	18	--	--	1872-3.			
1873-4.				Thompson, J. N.	17	D	--
Phelps, H. C.	--	D	--	Taylor, W. S.	20	D	--
				Turner, A. R.	16	D	--
				Taylor, A. C.	19	E	--

EXHIBITS.—CONTINUED.

NAMES.	Time.	Urol.	Tox.	NAMES.	Time.	Urol.	Tox.
<i>1873-4.</i>				White, W. W.	20	E	--
Tiffany.....	26	D	--	Wilson, J. H.	25	D	--
Tidball, L.	29	D	--	Weaver, J.	19	--	D
Tidball, J.	29	D	--	Wilbur.....	31	E	E
<i>1872-3.</i>				Whitbeck, C. E.	13	C	--
Underwood, V.	20	E	--	Wightman, S. J.	16	--	--
Vandenburg, W.	--	C	--	<i>1873-4.</i>			
Vincent, Miss M. L.	19	E	--	Watson, Clark	22	E	D
Williams, I. C.	17	--	--	Walbridge, John S.	22	E	--
Wyman, H. C.	19	D	--	Warner, N. P.	21	E	--
Weirick.....	16	D	--	Welch.....	33	D	--
Whiting, C. W.	14	D	--	Ward	--	C	--
Whitney, C. H.	14	E	--	Weaver.....	--	D	D
Wardell, J. M.	15	D	--	<i>1872-3.</i>			
Wright, P. W.	23	C	--	Young, John.....	19	D	--

EXHIBIT 1.

[Laboratory Accounts for 1873 and 1874.]

Name.	Amount.	Name.	Amount.
Bower, T. T.	\$20 00	Lowrey, G. W.	\$4 25
Button, C. C.	17 20	Moore, J. B.	4 05
Chambers, J. D.	4 75	Michael, C. H.	56 75
Cady, F. A.	24 25	Moss, J. C.	7 60
Coad, U. G. O.	30 70	Moss, J. C.	35 95
Durstine, F. H.	4 10	McCullough	19 75
Duncan, G. C.	44 85	Otter	16 25
Dietz.....	14 95	Pew	51 35
Earle, H. D.	35 05	Search, R.	30 40
Everett	18 50	Smith, S. W.	20 50
Ehrhardt.....	45 25	Strong, M. C.	6 40
Fox, C. W.	4 50	Stevens, A. B.	32 55
Fritts, T. T.	33 10	Senier.....	27 40
Fritts & Duncan.....	7 45	Stockwell, S. T.	5 00
Gunn, J. A.	5 80	Thum, H.	5 80
Hume & Beebe.....	2 75	Tackamoora.....	36 90
Harvey.....	24 35	Vanmeter	19 15
Huntington, H. N.	10 00	Walsh & Smith	3 20
Johnson, C.	1 55	White, L. R.	18 45
King, M. B.	14 40	Weaver, J.	22 80
Lockwood, H. H.	38 50	Wood, C. W.	13 05

I hereby certify that the above accounts, so far as I know, are correct, according to the examination of the books. P. B. ROSE.

ANN ARBOR, Mich., Nov. 13, 1875.

See supplementary statement of this date, December 7th, 1875.

P. B. ROSE.

No. 63. LABORATORY OF ANALYTICAL AND APPLIED CHEMISTRY, }
 University of Michigan, Sept, 30, 1873. }

P. B. ROSE,
Ass't Prof. of Chem. and Phar.

Countersigned, _____ P. B. ROSE, *Asst. Prof.*

EXHIBIT B.

Deposit	103 80
	<u>10</u>
	93 80

“If the thresholds and floors of the recitation or lecture room of another professor in the University can be shown to have been worn through in less than nine years by the tread of students, then I waive all consideration of assistant in my department till his wants shall have been supplied. Until this can be

shown to be true, my duty to the University, to my department, to the students who come under my instruction, and to myself requires that I should fully present this matter to your honorable Board. I trust it may receive the careful consideration which its merits may demand."

EXHIBIT D.

Laboratory receipts for 1873-4 arranged in parcels. Those in black * represent vouchers found and seen on wrappers, wrappers and vouchers enclosed agreeing.

PACKAGE No. 2.—Vouchers from Jan. 22 to March 17. Wrappers in writing of Rose.

Jan. 22.	Beunett	\$15 15	
31.	Higbee	14 85	
Feb. 6.	Sparhawk	3 10	
6.	Runkle	4 50	
16.	McCullough (stub not red-lined)		\$29 75
17.	Sherman	9 05	
17.	Warner	21 05	
19.	Bowers (stub not red-lined)		30 00
19.	Morse	4 25	
19.	Hubbard	14 15	
18.	Mathews	15 60	
23.	Benham	14 40	
24.	Beebe	16 50	
24.	Van Meter (stub not red-lined)		29 15
19.	Lawrence	18 40	
27.	Chote	5 00	
27.	Livingston	14 40	
27.	Case	10 65	
27.	Mayco	15 20	
		<hr/>	
		\$196 25	

PACKAGE No. 7.—Vouchers from Jan. 22 to March 17. Wrapper written by Rose.

Mar. 2.	Hull	\$11 95	
2.	McCandless	11 30	
4.	Tidball	5 85	
5.	Tiffany	17 10	
6.	Sherwood	9 80	
6.	Deitz (no stub)		\$14 95
9.	Place	16 80	
10.	Newkirk	9 95	
11.	Vanderburg	3 55	
11.	Richards	18 00	
12.	Rhodes	2 50	

*The amounts of such items are placed in the first column. Those originally marked "stub red-lined," and afterward "No" with a pencil, are here printed "Stub not red-lined."

Mar. 12.	Strong (stub red-lined)	-----	\$16 40
11.	King (no stub)	-----	14 40
12.	Rhodes	-----	\$10 85
	Hume	-----	9 20
13.	Pease	-----	12 20
	Higgins	-----	9 95
14.	Condeict	-----	4 60
	Lane	-----	8 95
11.	Hyndman	-----	11 20
11.	"	-----	3 55
9.	Hewett	-----	13 50
9.	Hubbard	-----	17 60
6.	Brucher	-----	18 25
6.	Bordner	-----	17 95
10.	Briggs	-----	15 20
10.	Harrison	-----	14 70
2.	Beach	-----	8 10
2.	Welch	-----	3 25
2.	Barnett	-----	8 10
3.	Beebe	-----	6 65
13.	"	-----	31 35
10.	McCaslin	-----	10 10
16.	Watson (no stub)	-----	4 50
16.	Shumacher	-----	10 05
17.	Kerr	-----	11 95
17.	Kerr	-----	2 85
			<hr/>
			\$379 40

PACKAGE NO. 3.—Vouchers from May 5 to June 13. Wrappers written by Rose.

April 8.	Fagai	-----	\$35 40
May 5.	Fuller	-----	4 70
13.	Bartlett (no stub)	-----	\$10 95
15.	Durell	-----	4 40
22.	Hall	-----	42 55
25.	Mead	-----	4 45
26.	Moss (no stub)	-----	16 40
26.	Weaver (no stub)	-----	43 10
26.	Moss (stub red-lined)	-----	35 95
28.	Buckham	-----	31 70
29.	Jones (no stub)	-----	42 15
June 12.	Hicks	-----	46 20
12.	Young	-----	34 65
12.	Whitman	-----	15 30
12.	Ulter	-----	13 80
13.	Chancel	-----	8 59
13.	Dickinson	-----	21 25
13.	Logan (stub not red-lined)	-----	17 75
10.	Mamnon	-----	29 25
11.	Kuhlman	-----	56 95

June 4.	Wolf.....	\$3 55	
	9. Hyser.....	36 20	
	8. Greggs.....	55 20	
	9. Chapin.....	15 20	
	8. Beaume.....	45 05	
	9. Weaver.....	15 20	
	2. Stahle.....	53 50	
		<hr/>	
		\$573 45	

PACKAGE No. 4.—Vouchers from June 5 to June 13. Wrappers written by Rose.

June 12.	E. Benton.....	\$14 05	
April 2.	Chambers (May 29, 1874).....	10 00	
	2. " (stub red-lined).....		\$4 75
June 5.	Reiner.....	13 80	
	12. S. B. Davis.....	16 50	
	15. Takamora (stub red-lined).....		46 90
	6. Holloway.....	19 20	
	8. Stocking.....	6 45	
	8. Wood (no stub).....		13 05
	9. Chapin.....	33 20	
	9. Burt.....	14 60	
	Cady (stub).....		34 25
	10. Wilmarth (no stub).....		8 05
	10. Knight.....	48 45	
	10. Hangsterfer.....	28 95	
	10. Earle.....	7 25	
	11. Leist.....	49 10	
	11. Hoskin.....	17 75	
	11. Crane, May 11, Johnson (no stub).....	32 95	1 75
	12. Michael, May 25, Hall (no stub).....	15 50	38 85
	12. Earl, May 27, Clark (stub, no red).....	17 20	45 05
	12. Stevens (stub, red line).....		42 55
April 10.	Otte (no stub).....		16 45
	10. Wood.....	40 40	
		<hr/>	
		\$385 35	

PACKAGE No. 5.—Vouchers from April 16 to May 13. Wrappers written by Rose.

April 16.	Mead.....	\$11 85	
	16. Potter.....	8 70	
	17. Hopper.....	32 90	
	22. Kimball.....	13 90	
	23. Wilmarth.....	37 50	
	23. Lee.....	10 15	
	23. Whitman.....	33 70	
	27. Bull.....	3 65	
	28. Maxwell.....	13 70	
	30. Mather.....	5 00	

April 30.	Durstine (no stub)	-----	\$4 10
30.	Mather	-----	\$13 05
30.	Mitchell	-----	10 50
30.	McCune	-----	11 95
30.	Alleman	-----	4 10
May 1.	White	-----	5 60
2.	Wood	-----	9 90
4.	Davison	-----	18 75
5.	Coughlin	-----	9 80
8.	Finleyson	-----	10 50
8.	Jenkins	-----	14 70
8.	Toyama	-----	30 55
9.	Goodwin	-----	13 55
12.	Keeney	-----	6 55
13.	Beebe	-----	15 90
15.	Lee	-----	3 40
15.	Salle	-----	2 75
15.	Walker	-----	9 50
			<hr/>
			\$361 90

PACKAGE No. 6.—From Dec. 6 to Jan. 31. Wrapper in part by Rose.

Jan. 6.	Swindler	-----	\$10 40
Dec. 16.	Hutton	-----	14 55
Jan. 8.	Shannon	-----	14 95
15.	Kenyon	-----	10 10
19.	Honnerton	-----	14 10
14.	Bullock	-----	13 00
19.	Eaton	-----	18 75
21.	Brindle	-----	15 10
27.	Sidlinger	-----	17 10
27.	Watson	-----	20 05
28.	Wright	-----	16 10
30.	Greene (stub not red-lined)	-----	\$15 80
31.	Hill	-----	13 60
			<hr/>
			\$177 80

PACKAGE No. 11.—From June 1 to 24. Wrapper by Rose.

April 30.	Craine	-----	\$42 10
June	Sanford	-----	17 35
	Hildebrand	-----	18 00
10.	Senier (no stub)	-----	\$27 40
10.	White (no stub)	-----	18 45
10.	Senier	-----	19 50
15.	Everett (stub)	-----	18 85
12.	Search (no stub)	-----	30 40
20.	Arnold	-----	16 45
19.	Fritz & Duncan (no stub)	-----	7 45
19.	Tremaine	-----	50 05

June 19.	Sheppard.....	\$29 80	
14.	Hunter (stub).....	-----	\$10 15
17.	Button (no stub).....	-----	17 20
19.	Fritz (no stub).....	-----	7 45
19.	Fritz (no stub).....	-----	33 10
19.	Henry, Harvey (stub red lined).....	-----	26 85
20.	Rogers.....	15 25	
20.	Stockwell (no stub).....	-----	5 00
19.	Henry, Harvey \$7.50 (no stub).....	-----	17 50
22.	Amy.....	21 70	
22.	Crane.....	44 25	
22.	Huntsman.....	33 50	
22.	Henry.....	51 40	
22.	Pugh (no stub).....	-----	6 15
22.	Pugh (no stub).....	-----	10 75
22.	Ehrhardt (no stub).....	-----	6 80
22.	Pugh (no stub).....	-----	34 45
22.	Ehrhardt (no stub).....	-----	38 45
23.	Roebach.....	39 05	
23.	Huntington (stub not red-lined).....	-----	30 00
23.	Johnson (no stub).....	-----	11 55
24.	Schrage.....	42 50	
24.	Hinman.....	13 25	
24.	Duncan (no stub).....	-----	44 85
		<hr/>	
		\$454 13	

PACKAGE No. 10.—Vouchers from Nov. 4 to Dec 1. Wrappers by Rose.

Nov. 4.	Martin.....	\$4 40	
21.	Hutton.....	4 40	
28.	Ford.....	5 55	
28.	Hill.....	4 20	
28.	Northrop.....	4 60	
Dec. 3.	Thompson.....	8 25	
7.	Mitchell (stub not red-lined).....	-----	11 75
10.	Axtel.....	8 10	
11.	Fosdick.....	4 25	
18.	Reed.....	8 45	
12.	Lowry (no stub).....	-----	4 25
15.	Walbridge.....	12 90	
		<hr/>	
		\$82 40	

PACKAGE No. 9.—Vouchers from March 18 to 24. Wrappers written by Rose.

Dec. 15.	Allemen.....	\$10 00	
April 1.	Dickinson.....	37 40	
1.	Sheffield.....	35 80	
2.	Ransom.....	9 15	
Mar. 18.	Ward.....	14 45	
18.	W. G. O. Coad (stub red-lined).....	-----	40 70
18.	Sanford.....	8 80	

May 19.	Stein.....	\$12 60	
	21. Richmond.....	11 10	
	23. Kennedy.....	12 90	
	23. Heller.....	16 90	
	23. Burt.....	31 90	
	24. Sanford.....	35 10	
	24. Thum (stub not red-lined).....		\$20 00
	24. McLean.....	15 75	
	24. Adair.....	32 15	
		<hr/>	
		\$284 00	

PACKAGE No. 8.—Vouchers. Wrappers by Bennett.

1872.

Oct. 1.	Henry Eberhardt (certif. is in No. 1).....	\$10 00	
	Lewis.....	16 55	
	Kuhlman (Johnson?).....	12 50	
June 24.	Crane.....	55 75	
Aug. 13.	Jones.....	59 30	
Sept. 15.	Apparatus.....	53 52	
	28. Chamberlin (paid in January).....		\$13 70
Nov. 24.	Riley (should be in No. 10).....	4 55	
Dec. 9.	Repper (should be in No. 10).....	12 75	
	9. Kuhlman.....	41 55	
June 27.	W. E. Choate.....	15 55	
		<hr/>	
		\$282 02	

PACKAGE No. 1.—Vouchers from May 29 to June 27. Wrappers by Rose.

June 26.	P. B. Rose.....	\$206 23	
	17. Vincent.....	15 35	
	17. Button.....	35 20	
	15. Cotton.....	41 50	
	5. Coad.....	12 70	
	1. Crain.....	15 95	
	11. Graham.....	39 50	
	15. Kellogg.....	12 00	
	12. May.....	13 50	
	15. Murphy.....	35 95	
	18. Rice.....	31 45	
Jan. 15.	Smith (this should be in package No. 7).....	12 45	
	17. Sheldon.....	24 80	
April 24.	Otte.....	45 05	
	24. Salle.....	34 30	
May 29.	Hopper.....	11 90	
		<hr/>	
		\$403 50	

EXHIBIT E.

No.	AM'T.	No.	AM'T.
27—Moffatt	\$10	201—Search	\$10
67—Cable	10	210—Woodworth	10
68—Sherev	10	238—O'Sullivan	10
127—Christency	10	241—Allen	10
162—Rich	10	291—Sheffield	10
165—Sungren	10	310—George	10
168—Chaffee	10	312—Norris	5
171—Foughter	10	36—Andrews	10
175—Granger	10	86—Engle	10
190—Haney	10	130—Bigelow	10

EXHIBIT F.

No. 222.

LABORATORY OF ANALYTICAL AND APPLIED CHEMISTRY, }
UNIVERSITY OF MICHIGAN, *November 11, 1875.* }

Received of A. C. Beecher 10 dollars, to be placed to his credit on account of chemicals and apparatus in the Analytical Laboratory. Good only on return of this receipt.

P. B. ROSE,

Ass't Prof. of Chem. and Pharm.

Across the above face of the receipt is written "Canceled Nov. 26, '75." The back is a blank, as follows:

"UNIVERSITY OF MICHIGAN, 187...

"I hereby certify that I have this day paid the Analytical Laboratory for Chemicals and apparatus the sum of -- ----, including deposit."

EXHIBIT G.

UNIVERSITY INTEREST ACCOUNT.

1865-6, Oct., Bal. due Douglas on advances	\$272; 1 mo. int.,	\$2 45
“ Nov., “ “ “ “ “	659; “ “	3 85
“ Dec., “ “ “ “ “	390; “ “	2 27
1866-7, “ “ “ “ “ “	665; “ “	3 77
“ Jan., “ “ “ “ “	444; “ “	2 50
“ Nov., “ “ “ “ “	631; “ “	3 68
1867-8, Feb.		2 25
“ “	719	4 20
“ Jan.		3 00
1868-9, Nov.		22 50
Jan.	3,955	32 96
Feb.	3,416	28 47
Mar.	3,093	25 71
April		26 37
May	2,265	18 88
June		14 82
1869-70, Aug.		10 55
Sept.		10 55
Nov.	289	2 41
Dec.	1,439	12 00

1869-70.	Feb.	.....	\$1,877	.....	\$15 64
	Mar.	.....	1,321	.....	11 01
	April	.....	1,368	.....	11 40
	May	.....	1,208	.....	10 96
	June	.....	553	.....	4 60
1870-1,	Oct.	.....	292	.....	2 45
	Dec.	.....	521	.....	4 34
1873-4,	Nov.	.....		.....	17 72
	Jan.	.....		.....	18 70
	Feb.	.....		.....	24 88
1873-4,	Mar.	.....		.....	28 33
	April	.....		.....	21 75
	May	.....		.....	22 60
	June	.....		.....	23 33
1874-5,	Balance of interest after charging and crediting				309 19
1874-5,	"	"	"	July to October	65 04
1874-5,	"	"	"	October to January	.....

Computation of Interest Based on Mr. Clinie. Balance Report.

1873-4.

			Interest.
July—Balance on hand	\$789 45	11 mo. int.	\$72 33
Aug.	47 40		3 92
Sept.	486 45		36 38
Oct.	604 55		40 33
Nov.	463 50		27 01
Dec.	96 20		4 80
Jan.	282 56		11 79
Feb.	373 35		12 43
Mar.	452 80		11 30
April	373 60		6 23
May	301 90		2 51
June	1,012 90		8 34
Total interest on monthly laboratory receipts			\$237 37
Interest on bills paid by Douglas from date of payment to 30th of June following			401 98
Balance of interest due Douglas			164 46
Interest charged by Douglas			163 61
			<hr/>
			\$ 85

EXHIBIT H.

\$61 60-100.

Received of George C. Henry the sum of fifty-eight 40-100 dollars for chemicals and apparatus. In addition to the above, three 20-100 dollars.

P. B. ROSE.

Laboratory, U. of M., Ann Arbor, Mich., June 17, 1873.

EXHIBIT I.

UNIVERSITY OF MICHIGAN IN ACCOUNT WITH S. H. DOUGLAS.

Cr.

1865.	By balance on hand.....		\$394 05
	By cash from I. B. Hough on 176 vouchers.....		2,012 82
	".....	\$14 20	
	?.....	5 43	
	Wines.....	50	
	Garwood.....	5 35	
	Patterson.....	1 70	
	Carlton.....	50	
	Mather.....	8 89	
	Foote.....	5 00	
	Odell.....	73	
	Fox.....	5 83	
	Putnam.....	50	
	Cheever.....	90	
	".....	1 50	
	sundries.....	25 76	
	certificates.....	18 00	
		<hr/>	
		\$54 04	148 83
1866.	I. F. Lewis and P. B. Rose on 204 vouchers.....		2,738 67
	P. B. Rose.....	\$3 00	
	Maynard.....	50	
	Warner.....	50	
	Cheever.....	20	
	Churchill.....	50	
	Geary.....	75	
	Thompson.....	40	
	Squaw.....	10 45	
	Scott.....	17 75	
	Certificates.....	36 50	
	Apparatus.....	16 60	
	Forfeitures.....	130 00	183 42
1867.	By cash from P. B. Rose on 247 vouchers.....		4,090 52
	Nelson.....	5 00	
	Smith.....	3 00	
	O'Neil.....	10 00	
	Volland (furnace).....	38 00	
	Wines & Co.....	12 00	
	Bennett.....	10 00	
	Smith.....	10 00	
		<hr/>	
		167 36	
	Castle.....	14 50	
	Davidson.....	10 00	
	Sundries.....	6 85	
	Certificates.....	35 00	
	University.....	450 00	771 65

1868.	P. B. Rose on 210 vouchers.....		\$3,813 80
	Surplus certificates.....	\$3 90	
	Forfeitures.....	104 25	
	Furnace.....	40 00	
	Certificates.....	39 00	
	Sundries and Pinkerton \$17.80..	29 20	226 35
1869.	P. B. Rose on 252 vouchers.....		4,794 26
	Isgrig.....	47 80	
	Engine sold.....	70 00	
	University.....	412 50	
	Forfeitures.....	175 00	
	Apparatus.....	122 19	827 49
1870.	P. B. Rose on 246 vouchers.....		3,649 87
	University.....	\$1,750 00	
	W. S. Chamberlin.....	10 00	
	Certificates.....	70 00	
	Sundries.....	15 00	
	Williams.....	10 00	1,845 00
1871.	P. B. Rose on 230 vouchers.....		3,553 65
	University.....	\$850 00	
	Apparatus.....	35 95	
	Certificates.....	14 00	899 95
1872.	P. B. Rose on 227 vouchers.....		3,473 07
	University.....	\$550 00	
	Apparatus.....	176 00	726 00
1873.	P. B. Rose on 241 vouchers.....		3,524 15
	University.....	\$550 00	550 00
1874.	P. B. Rose on 191 vouchers.....		3,769 15
	Ritchie, Com. on Ap.....	\$27 29	
	Montgomery, Lantern.....	45 00	
	Battle Creek.....	83 21	
	Parsons.....	44 95	200 45
1875.	P. B. Rose on 225 vouchers.....		4,837 35
	Forfeitures.....	\$270 00	
	Sylvan School.....	1 00	271 00
1875.	P. B. Rose on vouchers.....		341 59
	Forfeitures.....	\$185 00	185 00
1876.	P. B. Rose.....		3,343 02
	Balance down.....		2,268 26
			<hr/>
			\$52,850 34

Dr.

1865.	To cash disbursements.....	\$1,796 04
1866.	“ “.....	1,061 07
1867.	“ “.....	5,260 64
1868.	“ “.....	2,895 77
1869.	“ “.....	8,761 41
1870.	“ “.....	3,827 02
1871.	“ “.....	3,880 66
1872.	“ “.....	5,060 99

1873. To cash disbursements.....	\$4,323 77
1874. " " 	5,928 75
1875. " " 	6,702 69
1875. " " 	341 59
1876. " " 	2,836 53
<hr/>	
Int. on bal. from July 1 to Oct. 1.....	\$65 04
" " Jan. 1 to July 1.....	107 50
<hr/>	
	\$52,850 34
<hr/>	
Due on stub account, \$1,043.35.	

EXHIBIT J.

Good for 5 cents.

Dec. 16, '75. DOUGLAS.

EXHIBIT K.

[Copy of Notice served on Rose and Beal.]

ANN ARBOR, June 3, 1876.

You are hereby invited and requested to appear on Monday, June 5th, at 10 o'clock A. M. in the Law Lecture room of the University before the committee of the Board of Regents appointed under the following resolutions, to wit:

"*Resolved*, That the two reports submitted by the committee on the accounts of Dr. Douglas, and now pending before the Board, be referred to the Finance committee, with instructions to call to their aid the accountant, Mr. Tregaskis, and determine at the earliest possible moment, so far as they can, where or to whom the deficiency in the laboratory should be charged; and as soon as their investigation is completed, to call a meeting of the Board of Regents;

"*Resolved*, That the committee be requested to invite Prof. Douglas and Prof. Rose to appear before them, and to give those gentlemen every opportunity to present such testimony as they may deem proper;—"

And produce any evidence you may have, showing that Prof. S. H. Douglas received commissions on chemicals purchased by him for the Laboratory, and that he paid excessive prices therefor, and any evidence you may have touching any of the matters under investigation by said committee.

[Signed]

J. H. MCGOWAN,

C. B. GRANT,

J. ESTABROOK,

Committee.

EXHIBIT L.

Gentlemen of the Committee of the Board of Regents:

I appear before you at this time on behalf of my client, Mr. Rice A. Beal, to explain to you the reasons why Mr. Beal cannot, consistent with his own interests, comply with your invitation, dated June 3, 1876, to appear before you on the fifth day of June, 1876, at ten o'clock in the forenoon, and produce any evidence he may have showing that Prof. S. H. Douglas received commissions on chemicals purchased by him for the laboratory, and that he paid excessive prices therefor; and any evidence that he (Beal) may have touching any of the matters under investigation by you as a committee.

Prof. Douglas has commenced a suit in the Circuit Court for the county of Washtenaw against Mr. Beal for a supposed libel, claiming damages to the amount of \$50,000. Mr. Beal has retained me as his attorney to defend the case, and that case is now at issue in said court; and I expect it will be tried at the next ensuing term of the court,—the defense of which will involve the very facts which will involve the very facts which you invite Mr. Beal to disclose to you. Mr. Beal himself, prompted by respect for the individual members of this honorable committee, by his sympathy for Prof. Rose, and his absolute belief of Rose's innocence, based upon facts in his possession, which, with him, amounts to almost positive knowledge, and by his interest in the welfare of the University, and being possessed, as he is, of some facts in reference to the matters under investigation, which may be, and in my humble judgment are, very important for you as a committee to know, and which are vital to his defense in his libel suit; and which doubtless would prove to your entire satisfaction that Prof. Rose is innocent of any dishonest transactions in connection with the laboratory. Has been and is now willing, and not only willing but anxious, to place these facts before you. But before doing so he advised with *me* as his attorney in the defense of his libel suit; and after mature deliberation of the matter I have said to him that I must be the judge as to whether it will be proper or improper for him to comply with your invitation and thus put *Prof. Douglas* in possession of his entire defense in the libel suit further than he is now in possession of that defense by the pleadings in the case, in advance of the trial of the cause. And I have advised him that it is not proper or judicious for him to disclose to you or to Prof. Douglas any portion of his defense to that suit in advance of the trial. And I claim that inasmuch as the same channels of information from which he has obtained those facts at great expense and labor for the defense of his libel suit, as well as for the benefit of Prof. Rose, are open to you, therefore by withholding those facts at the present time he is doing no violation to proper courtesy to the committee and no wrong to the public; and I have therefore, in discharge of my duty to him as his attorney, absolutely forbidden him to appear before you for the purpose of disclosing any of those facts. But so anxious and determined was he (Beal), notwithstanding my advice, to comply with your request, that I insisted upon his employing assistant counsel in his suit, that he and I might have the benefit of the advice of such counsel in the premises. He has employed assistant counsel, and that counsel and I agree fully that it is not proper for him to disclose his defense to you at this time; but we have both had all we could do to overrule our client in this matter.

And now, gentlemen of the committee, with all due respect to your desire to reach the whole truth in your investigations, as well as to the position you occupy, I most respectfully, but peremptorily, decline to allow my client to disclose to you, at the present at least, any of those important facts of which he is possessed relating to the subject under your investigation and to his defense.

A. D. CRANE,
Attorney for R. A. Beal.

EXHIBIT M.

WM. LADD & CO., LONDON.

Exhibits, etc., introduced before the committee of investigation in the laboratory defalcation,—Regents McGowan, Grant, and Estabrook.

UNITED STATES, *April 18, 1873.**Wm. Ladd, London :*

DEAR SIR,—I observe in the supplement to Watt's Dictionary of Chemistry, page 562, fig. 21, an account of a magneto-electric induction machine. Will you please give answer as follows :

1st. What is the power of this machine as an illuminator?

2d. What force is required to move it?

3d. What is its cost?

4th. When could you fill an order for one?

5th. Have you improved upon the machine?

6th. Have you any agents in this country through whom I could order one?

I want a first-class machine of this description, and any information you can give will be appreciated.

Should be glad of a copy of your catalogue.

Yours truly,

SILAS H. DOUGLAS,
Prof. of Chemistry.

[Mr. Ladd's reply of May 7 is missing.]

May 31, 1873.

Wm. Ladd, 11 and 12, Beak street, Regent street, London :

DEAR SIR,—Yours of May 7th is before me. You may make me the magneto-elec. machine equal to 60 cells of Grove's of the best construction, at the price named, £200, to be completed in two months. The machine is for the University of Michigan; and as to the responsibility, I think I am safe in referring you to Trübner & Co., Paternoster Row, or McMillan & Co., Bedford st., London. I think the Un. purchase books of both these parties. If other reference is required let me know.

Have box directed to University of Michigan, Ann Arbor, care of Rohrbeck & Goebeler, No. 4 Murray st., New York.

When your catalogue is out, please send copy, and I may see other articles to order.

Yours, truly,

S. H. DOUGLAS,
Prof., etc.

11 and 12 Beak St., etc., 20th June, 1873.

PROF. S. H. DOUGLAS, *University of Michigan :*

DEAR SIR,—Your esteemed order of 31 May is duly to hand. The dynamo at £200, shall be gone on with for completion in two months. Kindly take due note that we always (in the case of such orders) are favored with the amount being lodged in London and made payable to our order upon dispatch of the goods.

We are, dear sir, yours truly,

W. LADD & CO.
Per M.

Remitted £205 by Mr. Wick's instructions, July 24. W. Ex.

UNIVERSITY OF MICHIGAN, }
Ann Arbor, July 22, 1873. }

WM. LADD & Co. *London, Esqr. :*

GENTS,—Yours of June 20th is before me. I have this day instructed my banker[s] in New York (Duncan, Sherman & Co.) to forward a draft for £205,

payable to your "order upon the despatch of the goods." You will doubtless hear from them soon. In the meantime I hope the work will go forward so as to be shipped by the 20th of August. Please ship by some good line, directed, "University of Michigan, Ann Arbor, Mich., U. S., care of Rohrbeck & Goebeler, No. 4 Murray street, New York." Phil. Inst.

You do not indicate the power required to operate the machine, as requested. I hope the ap. will be perfect in all respects, as I have to trust to your known reputation for perfection.

Yours truly,

S. H. DOUGLAS, *Prof.*

LONDON, 6th Aug. 1873.

To PROF. S. H. DOUGLAS:

We are in receipt of your favor of the 22 July. Please note our thanks for same. The power required to run the dynamo now in hand for you is about $3\frac{1}{2}$ to 4 horse.

W. LADD & CO.

LONDON, 14th Oct., 1873.

To PROF. S. H. DOUGLAS:

We are pushing on with the dynamo, and expected to have had it done before this. At most it will not be beyond another two weeks.

From WM. LADD & CO.

Rec'd Oct. 26.

11 AND 12 BEAK STREET,
REGENT STREET, LONDON, W. }
3, 12, 1873.

To PROF. DOUGLAS:

Dear Sir,—We hand you bill of lading, which, by an oversight was mislaid till to-day. Please note that when the machine is coupled to the engine that is to run it, all the bearings are perfectly clean and well oiled. If, after running 2 or 3 minutes no current is developed, disconnect the wires at the end of the machine opposite to the driving pulley, and connect them for a while to a small Grave's battery (single cell will do), by which means the machine will become sufficiently charged to continue working in a manner quite satisfactorily to you. This precaution we have had sometimes to take. You will, of course, see to a sufficiency of water being kept through the armature jacket.

Truly yours,

W. LADD & CO.

NEW YORK, Jan. 9, 1874.

Dr. S. H. Douglas, Ann Arbor, Mich.:

To Rohrbeck & Goebeler, Dr.

Freight on London machine.....	\$15 75
Custom-house, exp., and cartage to our store.....	12 50
Repacking and shipping.....	12 50
	<hr/>
	\$40 75

Jan. 21, 1874.

W. LADD & Co., *London:*

GENTS,—The dynamo magneto, etc. ma. came duly to hand, and having attached it to engine I caused the armature to make about 200 revolutions.

This failing to develop any current, I next attached a single-cell battery as directed, allowed it to remain some time, then detached and caused it to revolve again. A barely distinguishable spark was produced. I repeated the experiment several times, with increase of speed. The spark disappeared in each case after a minute or so. I now attached the battery and cause[d] the armature to revolve. When the speed reached less than 1,000 it gave a spark equal to 10 cells, and at about 1,000 the copper straps of the armature gave way; and now the armature, so far as the coil is concerned, is a bad wreck. The experimental trials occupied an entire day, and I am forced to the conclusion that the machine was never properly tried in the shop, and I fear is radically defective. Now, I think you should make good your guarantee, and I cannot entertain a doubt but that you will do so. If you would send full instructions for the re-winding of the armature, Mr. Ritchie of Boston might repair it; but unless you can devise ways and means to do vastly better than it did, it will not pay for the repair. In fact it is worthless.

Let me say, the armature was not heated.

I have had over 25 years' experience in elec. appa., and think I know how to use it. The connections were all properly made so far as I could see. The electro-magnets became feebly magnetic under the battery cell.

I shall wait with no small degree of anxiety your instructions in the matter.

Yours truly,

S. H. DOUGLAS,
Prof.

11 & 12 Beak St., etc., Feb. 11, 1874.

DEAR SIR,—I have received your letter dated Jan. 21. The only thing I can imagine is that you turned the machine in the wrong direction. The machine was tried here and worked well, and I thought the copper straps strong enough to stand the centrifugal force. I have always before used copper wire, but I thought the straps would be stronger. The only thing that can be done with it, of course, is to put [on] stronger ones. I am very sorry it has occurred, but I am sure when it is repaired you will get good results from it. One of the main things is to set the commutator in the right place. In fixing the magnetism in the iron place I generally connect on to it the long wire of the armature and turn gently. This effectually does it without any battery.

I shall be glad to know how you succeed in the matter.

I am, dear sir, yours truly,

W. LADD.

PROF. S. H. DOUGLAS.

BOSTON, March 4, 1874.

TO PROF. DOUGLAS,

Dear Sir,—We have this day rec'd your box, which, as we advised you, was misdirected. To-day's mail brings your letter of the 2d.

We have examined the armature. The coils must be re-wound, but we hesitate to attempt it. The principle of it is clear enough, but of course we have no experience in winding such coils; and if we do it [at] all it must be with the understanding that we cannot be responsible as to its performance or that it will stand trial. Under so high a speed it is plain that the centrifugal force must be very considerable; and that the wires are laid so nearly parallel with the axes that the desired strain on the wire can hardly keep them in place.

There was [were], it appears, two bands; but of what they were composed we have nothing^{to} guide us. We would advise you to send it back to Mr. Ladd. We can forward it by express or by freight. It would not cost much more by Am. & European Express. Ladd can do the work in much less time, and the coil would be probably less to you after paying freight.

If you prefer, we will do what we can, and use our best judgment, and charge you our regular price per hour for labor, viz., 60 cents per hour for all time used by workman. As to the time or cost we can make no estimate. If it was our own instrument we should prefer to send it to the maker than to put it in hands of any workman who had no previous experience in the work.

We remain very respectfully yours,

E. S. RICHIE & SONS.

March 8, 1874.

W. LADD & Co., *London:*

GENTS,—Yours is rec'd. I caused the armature to be removed and sent to E. S. Ritchie & Sons, Boston, for repair. I enclose you their letter, and, in accordance with their advice, I have caused or ordered it to be sent to you at once.

Now, I fear that this instrument is radically defective. When in motion the movement was exceedingly irregular, as though it was neither well centered or properly balanced. In fact, the whole building was shaken by a vibration that *ought not to exist*.

Now, I think it should be made perfect and returned to me entirely free of expense. The ordering of this instrument (expensive) and the paying for it in advance was in confident expectation that the representations made by you would be fully realized. I leave it for you to demonstrate that this was not a misplaced confidence. I may have caused the armature to revolve in the wrong direction, but I submit there was nothing to indicate a right direction. The published accounts of the ma. give the best results at 1,500 revolutions. I gave it two-thirds this number, and it burst. I am not, however, disposed to argue this point now. I trust your own reputation and sense of honor will induce you to make good your engagements.

Let me hear from you at an early day.

Yours truly,
SILAS H. DOUGLAS.

LONDON, March 24, 1874.

DEAR SIR,—I hope before this you have succeeded in putting the dynamo-magneto machine to rights. There cannot be much difficulty in the matter if you can get copper wire of good conductivity; but from the letter Dr. Tyndall has shown to me, you seem to take a very gloomy view of it. Now, I am sure that five pounds would be ample to put it right. I regret very much the bands giving way, and have no objection to send that amount to you to pay for the repair.

I am, dear sir, yours truly,

W. LADD.

PROF. S. H. DOUGLAS.

LONDON, April 13, 1874.

DEAR SIR,—As regards the machine supplied to Prof. Douglas in America, the armature came back to me. It has been repaired and strengthened, and

has been returned to him. I have no doubt he will find it all right. I am sorry you have had any trouble in the matter. I think there was no necessity for it, as there has been no dispute or hesitation on my part.

I am, dear sir, yours truly,

W. LADD.

DR. TYNDALL.

HOFFMAN HOUSE, }
New York, April 30, 1874. }

MY DEAR DOCTOR,—I enclose a note from Mr. Ladd, which I have just received, enclosed in a very kind letter from Prof. Tyndall. I wrote Tyndall immediately at your request, and he tells me that he at once did what he could in the matter. I shall be glad to learn how the matter turned out, and whether Mr. Ladd has really put the machine in proper order, since something of that kind is needed very much at our own University. The only question is what it shall be.

Mrs. White joins her hearty regards to Mrs. Douglas, and I remain

Yours faithfully,

AND. D. WHITE.

PROF. S. H. DOUGLAS.

June 9, 1874.

WM. LADD & Co., London:

DEAR SIRs,—The armature was rec'd a few days ago and put in place. I regret to say that I fail to get any satisfactory result,—only a barely perceptible spark. I have tried it in all the forms I can conceive of, with a battery and without. Have caused it to revolve in both directions and placed the commutator in all possible positions. In short, I have spent the most of three days in vain efforts to make it work.

Now, unless you can give me such minute instructions as will enable me to make a success of it, I must return it to you, and conclude that it is radically and fatally defective. There is no defect visible, and hence I conclude that some defect must have escaped your notice.

Let me hear from you at an early day, and *in full*. The steam power and machine have cost a large am't of money, and thus far is a lamentable failure. I hope you can do something to save us from this disgrace.

Yours truly,

S. H. DOUGLAS.

BROOKLINE, June 13, 1874.

DEAR SIR,—We have received your favor of 9th this day. We would be very glad to render you assistance in this matter if we could see any way. We have no workman who has had any experience in this special machine. It was because we knew it to be an exceedingly troublesome machine and difficult to arrange that we did not dare to undertake its repair.

Prof. Rob't E. Rogers of the U. of Penn. at Philadelphia, has a machine either of Ladd's or Wilde's. I have never seen it in operation, but it is the only one I know of in the country. It may be that Prof. R. can tell you of some workman in Phil. who has worked on his machine. I tried when in England last year to get a sight of one, and as Prof. Kendrick wanted one it gave me reason to say that I wanted to buy one for the U. S. Mil. Acad. I

wrote to Wilde. He replied that he had a death in his family and could not attend to it. I saw Ladd and talked with him. I think the number he has made is very small. He said he could get admittance for me to a factory where one was in use, but afterwards said the proprietors forbade it. I had some doubt whether it had not broken down in some way. There is no question that Ladd has made one or more that did operate and give powerful results; and I do not intend to question his veracity, but there was a *hitch somewhere*.

I should hardly think it would pay to send any workman from the East who has had experience in magneto-elec. machines, generally at least before writing Ladd himself for directions.

Very truly yours,

E. S. RICHIE.

LONDON, June 24, 1874.

Dear Sir,—Yours is just to hand. I am quite at a loss to understand why you cannot get the machine to work. Will you try and charge it up with the long wire, that is, connect the wire that ought to give the light with the electro-magnet? If that will charge the magnet it will show there is no fault with that. I sometimes find it better to do that than put on a battery, as it acts more powerfully. This I am sure of. There is nothing radically or fatally defective, but it may be possible that a shake or knock may have made contact.

I am sorry for the trouble and loss of time you have had, but it must be some trifling thing, as it worked before it left here.

I am, dear sir, yours truly,

W. LADD.

PROF. S. H. DOUGLAS.

July 4, 1874.

WM. LADD & Co., *London*:

GENTS,—Allow me to introduce my colleague in the University, Dr. Cocker. I have requested Dr. C. to call on you and act in my behalf in all matters pertaining to the dynamo mag. elec. mach. He will explain to you, and I hope you will be [able to] make it satisfactory.

Yours truly,

S. H. DOUGLAS.

P. S.—I wrote you the 9th of June, but have rec'd no reply.

July 27, 1874.

WM. LADD & Co., *London*:

GENTS,—Having exhausted all my skill to obtain any perceivable result from your dynamo magneto-electric machine, and having failed in every particular, I have caused it to be securely boxed and returned to you. In removing it from the box, if you will remove the screw bolts from the bottom, you can raise the whole box.

Now, I make this request: You are to put in working order and exhibit it to Prof. Tyndall or Wm. Crooks, of the Chemical News, and send me a certificate from them, or one of them, that they have seen it doing the work of sixty Grove's cells. If returned, direct to the care of Grand Trunk R. R., Montreal, thence to Ann Arbor *via* Detroit.

Yours truly,

S. H. DOUGLAS.

DETROIT, JUNCTION STATION, 28th July, 1874.

DEAR SIR,—Electric machine to Wm. Ladd & Co., London, England.

Your favor of the 27th inst. in regard to the shipment for Wm. Ladd & Co., London, Eng.,—I have forwarded your letter to our agent at Sarnia, with the request that he will send it on to Mr. Burns, our Montreal agent, who will no doubt be able to arrange the matter satisfactorily.

Yours truly,
W. SHRANIN.

S. H. DOUGLAS, Esq., *Ann Arbor*.

LONDON, 22d October, 1874.

DEAR SIR,—Your letter of the 17th ult. reached me only on the 16th inst. It was delivered *open*. The delay probably arose from its being addressed to Finsbury Square instead of Finsbury Circus.

I have seen Mr. Ladd in reference to your complaint about the machine supplied by him to the University, who expressed himself very properly in regard thereto, regretting much that it did not function as you had a right to expect that it would. He assured me that he was having it made completely efficient, and that it would be on its way back to you in about a week's time, which has now nearly elapsed; and that he would advise you regarding it.

Under these circumstances I have, of course, taken no further steps in the matter.

Will you kindly tell our friend Dr. Cocker that your letter was the first intimation that he had left England, and was wondering why he did not reply to my notes to him of 3d and 20th Sept. respectively, which I trust, however, he received. Please give him my best regards.

I am, dear sir, yours faithfully,

HENRY H. MANCHIP.

SILAS H. DOUGLAS, Esq.
Professor in Michigan University.

LONDON, 2d Decem., 1874.

PROFESSOR S. H. DOUGLAS, *Ann Arbor*:

DEAR SIR,—The letter of 14th Nov. reached me this morning. I at once went to Mr. Ladd's, but could not see him, as his wife had just died. I was surprised to hear, however, from his representative, that your dynamo magneto-electric machine had not been sent forward, as Mr. Ladd assured me it would have been more than a month ago; that Ladd's anticipations, when I called on him in October, of setting it to work and shipping it toward the end of that month, had been altogether unfulfilled; and that what he considers it now necessary to do to it may occupy several weeks. The assistant could not tell me whether Mr. Ladd had written you of this delay. Ladd will not attend to any business for a week, when I will see him on the subject of the certificate you require, and which, when I saw him before, he said he would not consent to. It appears to have been a most unsatisfactory business for yourself and the University; and if nothing in your original contract with him, or subsequent dealings, prejudices your right to legal redress, and you are disposed to have recourse to it, I would advise you to *at once* consult an attorney about your case, and the steps it would be best to take to prosecute it at law here. I suppose of course that you know what "law" means,—not often justice, but always delay, annoyance, and great expenses. Should you determine on recourse to it in the present instance, you would lose no time in going to words,

and I presume the case would be carried on here by the agents of your own attorney, to whom I should be happy to render any aid in my power.

Best regards to the doctor, and believe me, dear sir, yours faithfully,

HENRY H. MANCHIP.

LONDON, 10th December, 1874.

PROFESSOR S. H. DOUGLAS, *Ann Arbor*:

DEAR SIR,—I wrote you on 2d inst. in reply to your letter of the 14th November. I yesterday saw Mr. Ladd, who expressed great regret that the machine had not yet been sent forward, but declared that the delay arose from causes he could not foresee. It appears that the metal of the "armature" is not of the proper hardness, and that a new armature will be necessary. This is now being cast, but the thing will not, I fear, from what he says, be completed for some weeks. I asked him if he had written you to explain all this, and he replied that he had not. I read him your message that you would insist on having the certificate of Mr. Crooks or Professor Tyndall, and which he again declared most emphatically he would not comply with, but that he would never rest until—if only for his own reputation's sake—he had sent you the machine in efficient working order.

I repeat that it is a most unsatisfactory affair, but whether to resort to law would improve it, I much doubt. Your chance of success would depend on the terms of your original contract, and how your action since may have affected your position in regard to it. Of this your own lawyer must advise you. Ladd seems to be a man of position in his trade, likely to fear exposure calculated to damage his reputation. On the other hand, law is expensive, and its results, to say the least, dubious.

I am, dear sir, yours faithfully,

HENRY H. MANCHIP.

EXHIBIT N.

LABORATORY DELINQUENT—STUBLESS.—No other delinquent accounts settled at same date.

1866-7.	T. A. Cook.....	\$18 00	
	T. A. Spaulding.....	5 50	
	I. P. Morrison (No. 3)	5 50	\$29 00
1867-8.	C. W. Maynard.....	1 40	
	C. Bowman.....	8 10	
	H. C. Brainard.....	2 88	
	C. Seymour.....	4 50	
	C. A. Bowman.....	11 95	
	W. J. Calvert.....	5 55	
	I. R. Hyde.....	3 80	
	I. Nicoll (No. 8).....	2 65	40 60
1868-9.	C. E. Markham.....	5 00	
	F. M. Goldsberry.....	31 80	
	I. A. Rutlan.....	6 50	
	".....	3 80	
	F. M. Goldsberry.....	5 00	
	C. A. Boehme.....	24 20	
	I. F. Oaks (No. 7).....	25 00	101 30

1869-70.	I. P. Nenko.....	\$13 80	
	C. Howell.....	6 20	
	I. O. Roe.....	4 20	
	O. A. Merrill.....	27 00	
	O. M. Green (No. 5).....	20 30	\$71 50
1870-1.	F. A. Harris.....	15 60	
	A. Upjohn.....	20 65	
	B. F. Mann.....	3 20	
	M. T. Van Buren.....	9 30	
	M. A. Meyer.....	5 75	
	T. McNab.....	4 26	
	H. M. Goodell.....	19 85	
	A. M. Neilson.....	11 15	
	N. S. Cang.....	5 50	
	O. C. Johnson.....	11 00	
	C. Pratt.....	5 30	
	O. L. Braddock.....	6 80	
	C. Runkle.....	6 10	
	M. A. Miner.....	6 95	
	M. M. Wilson.....	15 45	
	O. L. Braddock.....	27 00	
	— Collins (No. 17).....	8 15	182 01
1871-2.	— Herdman.....	6 05	
	I. G. Banks.....	2 75	
	— Johnson.....	3 95	
	S. E. Palmer.....	3 15	
	E. C. Fisher.....	2 10	
	King & Wright.....	2 65	
	Wallace & Haskins.....	5 10	
	— Fisher.....	2 20	
	S. C. Haines.....	3 65	
	H. S. Maynard.....	6 40	
	I. E. Mauthews.....	5 40	
	F. A. Hubbie.....	5 45	
	Mrs. Hilton.....	2 80	
	F. F. Fritz.....	6 30	
	H. S. Maynard.....	6 10	
	— Cook.....	6 90	
	Dr. George.....	1 70	
	— Kelley.....	1 00	
	H. S. Maynard.....	22 40	
	I. S. Cook.....	28 85	
	Cooper & Roach.....	21 55	
	S. S. Warren.....	26 40	
	— Gundrum.....	22 65	
	H. I. Armstrong (No. 24).....	13 00	209 50
1872-3.	F. F. Fritz.....	64 90	
	H. E. Erhardt.....	42 10	
	H. Lord.....	3 35	
	A. M. Haight.....	2 50	
	Fullerton & Newell.....	8 30	

E. C. Baker.....	\$1 20	
Plews & McGregor.....	7 70	
Craig & Stevens.....	7 30	
Miss Locke.....	9 85	
A. S. Hall.....	7 15	
I. I. W. Porter.....	5 05	
— Brown.....	3 70	
Halleck & Colton.....	5 50	
William Johnson.....	3 30	
W. E. Upjohn.....	19 15	
— Clement.....	13 40	
— Bigelow.....	3 05	
Short & Kay.....	2 85	
E. W. Shephard.....	10 80	
G. C. Duncan.....	15 30	
H. Huntington.....	22 50	
Egbert & White.....	3 90	
E. Raynor.....	1 80	
S. Armstrong.....	7 80	
O. C. Miller.....	10 00	
A. C. Stein.....	13 45	
C. Michael.....	3 25	
C. H. Hudson.....	10 65	
A. Huntsman.....	7 15	
Miner & Barry.....	1 40	
— Haskell.....	2 20	
R. H. Harroun.....	4 60	
W. Schrage.....	6 90	
L. S. Putney.....	5 65	
C. M. Porter.....	3 60	
O. E. Shephard.....	27 50	
A. M. Haskell.....	21 50	
A. Huntsman.....	19 85	
C. H. Michael.....	17 90	
I. H. Harroun.....	22 30	
W. Schrage.....	12 30	
— Stevens, (No. 42).....	3 65	\$319 10
1873-4. Dietz.....	14 95	
E. M. Putney.....	8 25	
E. Kingsley.....	2 40	
L. Hunter.....	10 15	
L. R. White.....	18 45	
I. Weaver.....	43 10	
Fritz & Duncan.....	7 45	
E. P. Moore.....	4 05	
G. W. Lowrey.....	4 25	
Michael.....	38 85	
F. A. Cady.....	34 25	
F. F. Fritz.....	33 10	
Miss Search.....	30 40	
S. W. Smith.....	20 50	

	N. B. King	\$14 40	
	Lyons & Richmond	1 10	
	Walsh & Smith	3 20	
	I. I. Alleman	1 90	
	I. M. Everett	18 85	
	C. Watson	4 50	
	A. Senier	27 40	
	F. B. Pugh	6 15	
	C. F. Stockwell	5 00	
	H. W. Henry	7 50	
	I. H. Durstine	4 10	
	F. B. Pugh	10 75	
	H. Erhardt	6 80	
	C. W. Wood	13 05	
	D. Wilmarth	8 05	
	A. D. Crane	1 75	
	G. Jones	42 15	
	F. B. Pugh	34 45	
	H. Erhardt	38 45	
	G. C. Duncan	44 85	
	I. A. Bartlett	10 95	
	C. Johnson	11 55	
	C. E. Button	17 20	
	— Otte	16 45	
	— Wilbur (No. 39)	24 10	\$644 80
1874-5.	R. H. McCarthy	10 00	
	C. A. B. Hall	23 10	
	C. S. Johnson	31 65	
	W. I. Herdman	4 35	
	M. F. Bigelow	5 00	
	M. L. Newton	14 85	
	G. E. Pantlind	17 05	
	L. Baker	14 35	
	H. I. Robinson	13 95	
	C. W. Wooldridge	14 10	
	D. Thomas	14 80	
	C. J. Hubbard	14 20	
	— Takemoora	12 85	
	— Spaulding	4 84	
	S. W. Chaney	10 40	
	W. Godfrey	1 65	
	C. Boehme	10 80	
	C. Work	15 25	
	O. Griggs	12 75	
	O. M. Green	8 85	
	M. Ruff	4 35	
	C. H. Eddy	4 95	
	G. E. Wilmarth	3 30	
	W. H. Fox	3 10	
	I. L. Leist	13 38	
	Takemoora	31 35	

T. W. H. Massey.....	\$19 10	
W. Slawson.....	15 10	
W. Ruff.....	20 05	
C. H. Eddy.....	21 05	
D. J. Norton.....	9 60	
I. Lynn.....	20 10	
M. U. Green.....	15 00	
T. M. Stuocut.....	17 60	
I. H. Durstine.....	8 05	
C. A. Dingley.....	6 65	
G. C. Grimwood.....	7 00	
I. W. Morgan.....	4 95	
C. W. Deitrich (No. 39).....	3 50	\$482 95

SUMMARY.

1866-7. 3 accounts.....	29 00	
67-8. 8 ".....	40 60	
68-9. 7 ".....	101 30	
69-70. 5 ".....	71 50	
70-1. 17 ".....	182 01	
71-2. 24 ".....	209 50	
72-3. 42 ".....	319 10	
73-4. 39 ".....	644 80	
74-5. 39 ".....	482 95	2,080 76

EXHIBIT O.

\$1,290.

ANN ARBOR, MICH., *June 26, 1874.**First National Bank:*

Pay to S. H. Douglas or bearer one thousand two hundred and ninety dollars.

P. B. ROSE.

EXHIBIT P.

COPY OF WRAPPER FROM THE PACKAGE OF 1869-70.

\$115	\$11 75	\$14 70	\$23 45
126 80	12 80	11 70	5 85
	2 60	10 70	13 25
\$241 80	15 90	18 70	11 75
2 30	10 45	14 40	11 60
	17 95	12 45	13 85
\$244 10	11 90	13 45	12 55
	3 65	10 70	13 70
	10 70	22 10	14 75
		13 10	14 40
	\$97 70	14 10	12 55
	182 40	15 25	14 20
	201 70	11 05	15 20
			14 45
	\$481 80	\$182 40	10 15
	355		
			\$201 70
	\$126 80		

On the other side of this paper was the memorandum, \$481.80.

EXHIBIT Q.

LETTERS AND TELEGRAMS FROM B. M. CUTCHEON.

[Letter.]

MANISTEE, June 12, 1876.

PROF. J. ESTABROOK, *Ypsilanti*:

Dear Friend,—I am just in receipt of yours of the 8th, also a notice of a special meeting of the Board for the 16th.

I regret that it will be absolutely impossible for me to attend on the 16th, as I shall be in the midst of the term of our circuit court, and in the trial of causes which it is impossible for me to leave.

A careful reading of your letter has not changed in the least degree my former well settled opinion and conviction that there is no possible way for the University to recover its money except either *in a court* or by arbitration where an adequate bond has been given. You say "it is quite impossible to get back the money due the University till we knew two things: 1st, how much there is, and 2d, who has it." But, my dear sir, that is the very object for which legal tribunals are instituted,—to find out according to the long established rules of evidence, "who has it," and "how much."

Courts have juries, and officers, and processes, and all the paraphernalia for investigation. They can compel the attendance of witnesses: you are powerless. They can *compel* them to swear: you are impotent. They can render a judgment upon the facts: you cannot. They can make a *finality*: you can make nothing final so far as the money is concerned. And I say now that I believe that nearly all this expense, or at least a large part of it, might have been saved by going *at once* into court. I supposed that the committee was *instructed* to do so. I supposed that I voted for such a resolution just before the adjournment of the Board. I supposed that the former committee reported that it would be necessary to go into court. I believe it will be still necessary to do so. It is the very fundamental principle of our jurisprudence that "no person shall be the judge of his own right." The University cannot sit as a court to try its own right and be at once a judge, party, jury, and executioner. It would grossly outrage every principle of English law and of natural right. It *must* go to an impartial tribunal for trial. An *ex parte* examination can satisfy no one. For myself I hope yet to see this matter investigated in a court of full powers, where both parties will be *obliged* to appear, where they must abide results, and where false swearing will be perjury.

Yours truly,

BYRON M. CUTCHEON.

[Letter.]

MANISTEE, June 12th, 1876.

DR. JAMES B. ANGELL, *President University of Michigan, Ann Arbor*:

DEA & SIR,—I have just received notice of a special meeting of the Board of Regents to be held on the 16th inst. I had supposed that the Board would convene as usual on the day before commencement, and had made all my arrangements accordingly. On the 16th I shall be in the midst of the trial of causes in the circuit court,—causes which I have personally prepared and cannot well be demitted to any other hand. It is not possible for me to be there on the 16th, nor, I fear, at any time prior to the 24th.

In regard to the investigation my opinion remains the same as expressed at the last Board,—that before a satisfactory result can be attained it will be necessary to go into a court where a trial can be had before a tribunal with full powers, and that can render a judgment that shall be a finality. I regret that Prof. Rose's proposition to go into court with an adequate bond for judgment was not accepted. The work done would all be useful in such a suit. Of course I cannot know what the committee will recommend, and therefore I cannot give any advice as to the matter. * * * [Remainder of the letter refers to library matters.]

Yours truly,

BYRON M. CUTCHEON.

[Telegram No. 3.]

MANISTEE, June 14, 1876.

COL. C. B. GRANT, *Ann Arbor, Mich.*

Yours received. Have two jury cases on peremptory call to-morrow. Two more will be reached Saturday or Monday. Possibly I might be there Monday. I cannot get my cases over. I respectfully urge that as Rose has expressed willingness to put his case before full board he be given opportunity. An *ex parte* examination and report cannot be satisfactory. You cannot know one side till you hear both. Hear both in Board. *I urge* this with all possible emphasis. The good of the University demands it.

BYRON M. CUTCHEON.

[Letter.]

MANISTEE, June 14, 1876.

COL. C. B. GRANT, *Ann Arbor.*

Dear Colonel,—I have just wired you in answer to your note of the 12th. This may reach you Friday: it may not. I shall get it on the boat which leaves almost immediately, and it will be in Milwaukee to-morrow morning. I regret *exceedingly*, more than I can express, my inability to meet you on Friday; but I am in the midst of my cases, and I cannot get off. I have written to President Angell, also to Regent Estabrook.

I want to say a great deal, but I have not time. I want to see a speedy finality to this laboratory matter. As I have just telegraphed, there can be nothing satisfactory or final in an *ex parte* report and examination. It is full of danger to the University. I do not know what Rose's reasons may be for refusing to put his case before the committee. I *do* know it is his right to have a hearing before the full Board, and for one I could not be prepared to act without hearing both sides. I want to be there when this thing is acted on. I know that Prof. Douglas and his friends feel that they are entitled to a speedy report. For my own part I should dislike exceedingly to put my case before a part of a jury that had to pass upon it.

I understand Rose is willing to put his case before the *full Board*. I say, then, as I said in my telegram, give him a chance. Hear his case. If there is nothing substantial in it, it can wrong no one. If there *is* anything substantial in it, it is due to him, it is due to the University, it is due to truth and justice, and it is *especially due to the Regents who have to act*, that the Board should be fully possessed of his case before they act.

If there is any possibility of my getting away to-morrow night, I will telegraph you and be with you on Friday P. M.

"*Festina lente.*" This is not a good time to make mistake. We want this judgment to stand and no new trials granted.

Yours, truly,

B. M. CUTCHEON.

[Telegrams.]

MANISTEE, June 16th, 1876.

REGENT ESTABROOK, *Ann Arbor, Michigan*:

I beg you will not crowd action with two regents absent.

B. M. CUTCHEON.

MANISTEE, June 19th, 1876.

J. B. ANGELL, *Ann Arbor*:

Impossible to come. Have five cases yet to try. Can't come this week.

B. M. CUTCHEON.

[Letter.]

MANISTEE, Jan. 16, 1877.

HON. E. C. WALKER, *Chairman of Executive Com. Board of Regents*:

Dear Sir,—Permit me to inquire what is being done in regard to the bill in chancery filed against Rose *et al.* by E. D. Kinne, Sol'r. I must say that the more I look into that matter the less I am pleased with the apparent attitude in which the board is placed by the action of some one who has assumed to turn the board over into the hands of Dr. Douglas' attorney, and the less I am pleased with the draft of the bill of complaint. As the action taken was in executive session, I suppose it does not go on record; but I propose to put on record my written protest against the unauthorized act of whoever employed Mr. Kinne; and *second*, against the act of the members of the executive committee who brought the case and employed counsel without ever calling together or consulting the committee; and *third*, for filing a bill, or permitting the filing of a bill, without submitting it to the committee; and *fourth*, for filing a bill so manifestly partisan as this appears to me to be.

And it seems to me the only fit and proper thing to do, is to *withdraw* the present bill, filed by an unauthorized person, and commence anew, in a form less open to objection than the present one appears to me to be.

Yours respectfully,

B. M. CUTCHEON,

Of the Ex. Com. B'd of Regents.

[Affidavit.]

STATE OF MICHIGAN, }
MANISTEE COUNTY, } ss.

Byron M. Cutcheon, being duly sworn, says that the accompanying and attached are true copies of letters and telegrams sent by mail or telegraph at the respective dates thereof, to the persons to whom they are respectively directed, in relation to the matter of the investigation of the Laboratory deficit in the University, *except* that telegram No. 3, to Col. C. B. Grant, dated June 14, 1876, was abbreviated in sending by striking some of the immaterial words without changing the meaning materially.

BYRON M. CUTCHEON.

Subscribed and sworn before me this 30th day of January, 1877.

GEORGE HUDSON,

Dep. County Clerk.

EXHIBIT R.

ACCOUNTS UNIV. 1865-6. LEWIS AND ROSE.

Page.	Names.	By whom settled.	Delinquent.	Credit- ed as Appa.
187.	G. S. White-----	P. B. Rose-----	26 60	
191.	Wm. Crawford (mistake)-----	P. B. Rose-----		
193.	I. M. Smith (See Rep. 1866-7)-----	P. B. Rose-----	43 80	23 80
197.	C. L. Brock (See Rep. 1866-7)-----	P. B. Rose-----	10 00	10 00
206.	A. H. Chapin-----	P. B. Rose-----	10 00	
269.	C. A. Wells-----	P. B. Rose-----	02	
349.	H. W. Heisinger-----	P. B. Rose-----	4 95	10 00
360.	I. M. Wilder-----	P. B. Rose-----	13 45	
370.	A. H. Scott-----	P. B. Rose-----	24 90	
377.	I. B. Frost (See Rep. 1866-7)-----	P. B. Rose-----	6 75	18 50
379.	I. M. Smith-----	P. B. Rose-----	6 15	
387.	D. A. Burrell-----	P. B. Rose-----	6 40	
390 and 135.	H. C. Kibbee-----	P. B. Rose-----	3 09	
209.	G. M. Murdock (appa't)-----	-----	4 20	4 20
226.	E. W. Fisk (appa't)-----	-----	2 00	2 00
272.	A. Coulter (appa't)-----	P. B. Rose-----	2 20	2 20
234.	C. A. Hamilton-----	-----	1 00	

REPORT OF THE JOINT COMMITTEE.

SUBMITTED MARCH 27, 1877.

To the Senate and House of Representatives:

The joint committee of the Senate and House of Representatives on the State University, to whom was referred the following preamble and concurrent resolutions, introduced into the House January 12, and concurred in by the Senate January 17, viz.:

Whereas, A defalcation, extending over a long period of years, and embracing quite a large sum of money, has been discovered in the management of the chemical laboratory of the State University;

And whereas, The Regents of the University in their "statement of certain needs of the University of Michigan," which they have published and placed in the hands of the members of the Legislature, have invited, and generously offered every facility for the most thorough and exhaustive investigation, either of the defalcation itself, or of their mode of treating it; therefore,

Resolved (the Senate concurring), That the committees on the University of the Senate and House of Representatives be and they are hereby instructed, jointly, to make a thorough and exhaustive investigation of said defalcation and of any and every subject-matter connected therewith, which in their judgment may require investigation, to the end that said committees may report to their respective Houses whether any, and if so what legislation is needed, and that said committee sit with open doors;

Resolved, That said committees have leave to sit during the sessions of the Senate and House of Representatives, and be empowered to administer oaths, compel the attendance of persons and the production of papers, and to employ a stenographer to take and transcribe the testimony at a compensation not exceeding ten cents per folio;

Beg leave to submit the following as their report:

Your committee appointed under the foregoing resolutions, as directed by them, entered upon the task imposed, and have continued in the prosecution of it for more than two months, laying aside other important and pressing duties, and giving such time to this as the grave and painful matters brought under our notice seemed to demand.

That an institution founded by the generosity and wisdom of those who guided the affairs of the State in its infancy, and who, after caring for and fostering it for a generation, are fast passing away from our midst, leaving it as a rich and royal legacy for all after time, should have connected with it so great a scandal, is sad indeed; and still more painful if its investigation shall leave names which have been rarely spoken except with reverence, tarnished, and the public confidence so lavishly bestowed upon its management shaken and impaired.

It was to avoid these and other dangers, no doubt, that the care and manage-

ment of the University was at a very early day taken from the territorial legislature and faculty and put into the hands of a Board of Regents, who, after many changes, were at length made elective in 1862. The evident intention was, no doubt, to put the government and control of this great educational power into hands skilled in such work and minds biased by no other official relations.

It was manifestly the duty of this board to whom the people confided so great a trust to so conduct its business affairs, as well as direct its educational work, as to fully meet all proper expectations, and to so guard the funds left to their control as to prevent loss to the State. Certainly the acceptance of such high trusts should have been regarded as binding each member to a rigorous and faithful performance of every duty thereby imposed upon him.

Such has been the conviction of the people, we believe, who have so confidently relied upon the wisdom and fidelity of their management, and for the most part, we are satisfied that this management has been both careful and wise. Considering that these numerous services were rendered gratuitously year after year,—that the State exacted those of the highest order without fee or reward, or even thanks, it is no small compliment to say that the Regents have ordinarily proved themselves faithful custodians of the public trust reposed in their hands; and yet we do not wish to conceal our conviction that grave irregularities have been permitted, extending over a long term of years, and such as few business men would have permitted in their own affairs.

The by-laws of the Board of Regents require that an annual meeting shall be held in the month of June of each year, and provide for adjourned and called meetings from time to time as the exigencies may require. As a matter of fact the custom has been for many years to meet about once in three months. The annual meetings have occupied from one to four days, and the called and adjourned meetings from one-half a day to two days, usually.

Now it must be apparent to every person acquainted with the wide range of university instruction at Ann Arbor, and the multiplicity and variety of mechanical and financial transactions which come under their supervision and control, that these meetings, as thus held, were not and could not be sufficient to give the Regents the needful opportunities for a full and exhaustive examination of the interior working of the several departments of the University, much less for an active and thorough supervision and control of all its financial and mechanical transactions. To this limited time given and superficial supervision bestowed, we attribute largely the unfortunate state of things disclosed by this investigation.

Suitable books were not provided, adequate checks were not instituted, and the whole system, if system it may be called, was fragmentary, without uniformity and without safety. The chemical laboratory was established in 1853, and after a time the professor of chemistry came to be recognized as its director. To this officer was committed, either tacitly or by action of the Regents, its entire management and control, subject only to a very slight direction and supervision. Strange as it may seem, to him was entrusted a power over its affairs as absolute as fate, and an authority with which even the Board itself did not care to interfere. He bought and sold at pleasure. He sent to Philadelphia, New York, or Europe, as he chose. He expended in traveling to New York, Philadelphia, or Boston, and no one challenged the bill. He made a report in June or in October, and whether accurate or inaccurate, it passed no rigid scrutiny, and stood uncorrected in some instances where the entries were

incomplete and the footings false. Indeed, in some instances the reports were neither examined by the Regents or passed upon at all.

But it was all the same to the Director. He undertook important work, involving the expenditure of thousands of dollars with no resolutions of the board authorizing him so to do, allowed himself a certain per cent, more or less, as the case might be, and took his pay out of such funds as he chose, and then included the transactions in his annual report, and there it ended. A committee was appointed by the board to expend a large appropriation of the Legislature, their plans were made, the work contracted for, the Director was not suited: he pushed all aside, expended the money, and exceeded the appropriation thousands of dollars, and the board did not even protest against it. The laboratory was making money, it was thought, every year, and yet the Director was charging interest on money which he claimed to have advanced to equip and run it every year, and the Regents quietly paid the ten per cent interest without inquiring too closely whether the laboratory was always in funds or not. In the language employed by another, "Whatever may be thought of this mode of doing business, it affords touching evidence of the confidential relations that existed between these gentlemen." The laboratory, we have said, was always in funds. Nothing can be clearer than the fact that a surplus was on hand every year, and yet the Regents allowed during the years covered by this investigation the aggregate amount of \$926.88 for interest on what was claimed as advances to the laboratory during these years! It is true the Director claims (pp. 149 and 221) that much of the money in his hands was held on call, ready to be returned to students, who, after paying their entrance fees, failed to get a table or to commence work, and had a right to claim the money thus prepaid, but the evidence shows that he never paid back a single dollar.

The Director employed assistants from time to time, who were responsible to him alone, except so far as his pay by the Regents established relations with them. In this manner and under like circumstances was P. B. Rose employed April 3d, 1866. The Regents did not employ him by resolution, as their by-laws required, but after a time they recognized him as assistant in the chemical laboratory. The Director, however, in the meantime, employed him as clerk and book-keeper, and responsible alone to himself as such.

On what ground the Director can be exempted from the chief and primary responsibility for the entire management of that department, it is difficult to imagine.

DEFALCATION IN THE CHEMICAL LABORATORY.

That the manner of accounting in the chemical laboratory should not have received more attention from the Regents, and its irregularities been corrected by them during all these years, seems strange indeed. Many improvements had been made at different times. For many years no ledger or proper cash book or account book of any kind appears to have been kept by any one whatever. Previous to 1860 all is unknown. After that year something like a system appears to have been in vogue. Each student desiring instruction in the chemical laboratory made a deposit of \$10, and took a ticket, on the face of which was his receipt for the deposit. On the back of this ticket or card was a statement that "by direction of the Regents chemicals and apparatus are furnished to students at the cost price of New York dealers." On settling his account at the close of his term in the laboratory, the student placed the amount paid for all material used on the back of the card, signed his name and turned

it over to the Director to be used as a voucher in his settlement with the Regents. A ledger was also used in which the account with the student was kept, and from which he determined the amount to be entered on the back of his card which he turned over to the Director.

This is what is called in the testimony a "card-voucher." Numerous variations from this course were, however, permitted.

In 1866 the system was changed again. Stub-books were substituted for cards or tickets. These provided a certificate and a stub for each student. The student under this system made his deposit of \$10, which was entered with his name and the date on the face of the certificate and the stub; the certificate was torn off, signed by the book-keeper, and passed over to the student as his receipt for the deposit. The stub was retained in the book. The student on completing his course settled by the ledger, certified to the amount paid on the back of his certificate, and turned it over to be used in the same manner as the card vouchers. This was a full settlement with the student. The assistant or book-keeper settled with the Director as follows: Once a month or oftener the Director and assistant would examine the stub-book; the assistant would turn over the deposit money of each student, and the Director would mark the stub with his name or one or more initials, usually only a letter D. The vouchers of students who had finished their course and returned their certificates would then be turned over to the Director, and under his direction a red line would be drawn diagonally across the stub corresponding to the certificate. The settlement for the deposit money would always precede that for the certificate. The final settlement would require the payment to the Director of the amount on the back of the certificate, made less by the deposit on its face. This and other improvements in the system of accounting in the laboratory was introduced by recommendation of Mr. Rose soon after entering upon his duties as assistant in the laboratory.

The ledger accounts were also greatly improved. Previous to 1864 no cash payments were ever entered in the ledger. After that the first deposit was frequently entered, but no subsequent payments except in a few instances. After Rose took charge of the books the accounts were entered in full, and on final settlement of the student properly balanced. Still the system was very defective. At length the Regents took the matter in hand, and on the 15th of October, 1875, passed the following resolution, offered by Regent Rynd:

"Resolved, That the director of the chemical laboratory shall, in future, present quarterly estimates covering all probable purchases, that all moneys received for sale of chemicals to students be duly accounted for and paid quarterly into the treasury; and further, that duplicate vouchers be presented, as in all other departments, covering all payments in accordance with the existing law."

It will be seen that this resolution proposed a complete revolution in the system in vogue in the Laboratory. Reports of sums in gross could no longer be made. All vouchers would be under the scrutiny of many persons, and each transaction must be reported near the time of its occurrence. No moneys were to be left in the hands of the Director, except for a brief time, and irresponsible purchases no longer tolerated. The whole department was to be subjected to the most rigid scrutiny. In three days from that time Dr. Douglas testifies (p. 119) he accidentally discovered a defalcation. He was making up his annual report, he says. It should have been made in June, but had been delayed till October. He found, he claims, that no vouchers had been turned over to him

by Rose for students who had finished their course. His suspicions being aroused, he presented Rose with four names of delinquent students and claimed payment. Three of these were stubless accounts, and one had a corresponding stub signed by himself with his initial D, and marked with a red line. Dr. Rose was weak enough, to say the least, to pay these, although he swears (p. 278) that he assured Dr. Douglas they had been paid, and showed him the stub thus signed and marked. Now, if Dr. Douglas had no knowledge of an account without a stub to correspond, as he solemnly swears (p. 120) he had not at that time, and, indeed, never had, it does not seem very honorable in him to deduct only \$10 for one stub payment, when, as he should have, on his own testimony (p. 198), deducted \$40 for entry fees. And why he did not deduct also the whole account, which the red line on the stub showed had been accounted for to him, is also a mystery, especially as he swears he did not suspect any forgery at this time (p. 118). The truth is, beyond a doubt, that these accounts had been rendered in the July settlement, and the money turned over to Dr. Douglas.

There is no escape from this conclusion. It is true that Dr. Rose certifies that these four vouchers had been mislaid or lost. He also made out a list of accounts and certifies that the vouchers were turned over on the day the list was certified to, when the truth is, beyond a question, that every voucher included in the list had been turned over to Dr. Douglas at different times previously. Such inconsistencies are simply astounding. Who can unravel such a web of mysteries? The discovered fraud a hoax! the acknowledged guilt of defalcation a falsehood!

Prof. Prescott was then called in and informed in the most secret and confidential manner, and convinced of Dr. Rose's guilt. Then President Angell was approached in like manner, and also convinced. How were they convinced? They were taken to his private residence, told that Rose had virtually acknowledged his guilt, had made out and certified to a list of accounts which had not been rendered to him. The lists were placed before them to prove it; the ledger was also produced, showing that the money had all gone into the hands of Dr. Rose; and there the showing ended.

Now, it is evident to any one acquainted with the system of accounting in the laboratory that every vestige of proof that Rose had ever paid a dollar of this money to Douglas was thus withheld. Why did he not bring forward the stub-book, containing the only evidence that Rose ever retained, that these accounts had been rendered and receipted for upon it? They had been in nearly every instance. This transaction is one of the most painful things in this unhappy affair. Then came the calling together of two of the executive committee of the Board, consisting of Regents Walker and McGowan, who entrusted the whole matter of continuing the investigation to those who had thus formed an opinion of Rose's guilt, and who, guided by Dr. Douglas, conducted it on this theory until a defalcation of thousands of dollars was traced, as they alleged, to his hands. Then the Regents were notified of his guilt, and the papers got hold of the matter and announced his defalcation.

Under these circumstances the refusal of Dr. Rose to join in the investigation any longer, although under the advice of his attorney, was construed to indicate his guilt.

If all the circumstances could have been foreseen, no doubt it would have been better to have at least continued to show such defense as was clearly tenable.

In due time, however, this action of Dr. Rose was followed by propositions in

almost every possible form for a full and final investigation by a committee, the full Board, or by an amicable suit in the court. This was refused. The exaction of a payment of over \$600, added to other payments amounting to \$831.10, besides interest, constitutes another important feature of these proceedings. Further on, a deed of all the property Rose possesses is demanded and given at once. All this time Rose shows a reticence unaccountable, and an acquiescence in proceedings which, if fully justified, must blast his reputation forever. Those who now defend him pronounced him a scoundrel, and those who formerly honored him turned away with grief and shame. A few, however, still doubted his guilt, and to them from time to time he confided what seemed to them proof of innocence. They commenced a complete review of the whole case. They appealed to the Regents for a full and final hearing, or an amicable suit at law. They appealed in vain. Bitter warfare attended and followed these movements. The history is public and need not be repeated. In the meantime the Board of Regents had pursued the investigation. A committee looked over the work of the President, Mr. Bennett, Mr. Douglas, and Mr. Knight, and certified to its correctness in their report, called the Gilbert-Walker report, made to the Board December 21, 1875. Against the proceedings and conclusions of this committee Dr. Rose protested. A second committee was appointed on December 21, 1875, immediately after a vote had been taken to dismiss Dr. Rose from the University, to "investigate Dr. Douglas' accounts with the University," which consisted of Regents S. S. Walker, Climie, and Rynd, who made a report on the 29th of March, following. It is worthy of remark that this committee employed accomplished accountants and made the most searching investigation ever made by the Regents. Dr. Douglas was with this committee frequently,—Dr. Rose never.

They no doubt conscientiously and diligently conducted their investigation, and reached very different conclusions from those reached by all former examinations. They make the defalcation over \$3,000 more than the Gilbert-Walker report. A minority report, by Regent S. S. Walker, only slightly changes this result.

This defalcation was not traced to any party by this examination.

It was left to another committee, appointed at the March meeting, consisting of Regents McGowan, Grant, and Estabrook, who reported June 19th, 1876, to continue the investigation and fix as far as possible the responsibility upon the parties severally who ought to be held accountable.

This report held Dr. Rose responsible for \$4,333.06, and Dr. Douglas for \$1,174.35. While we accord to these committees a sincere desire to reach the truth and present the facts in this unhappy affair, we are compelled to say they did not have all the data necessary to accomplish these aims, nor did they seem conscious that other evidence might be at hand that might materially change the aspect of the whole matter.

When, therefore, Rose and his friends offered to submit his whole case to the Board or a committee of it, they pushed the offer aside as a "game of brag," and prepared to put the matter into the hands of a court for adjustment. A bill was filed in the circuit court in chancery for the county of Washtenaw soon after this report, to which we wish to call attention, especially the following features:

1. The bill alleges that from June 28th, 1865, to December 21st, 1875, "Rose and Douglas were both salaried agents and employes of the complainants (the Board of Regents), each having certain duties assigned him in respect to the

laboratory, which he assumed and undertook to perform," and that "Rose was by a like appointment as Douglas performing certain duties."

2. It alleges that "Rose, although often requested so to do, has hitherto neglected and refused to account with the complainants (Regents) in respect to the laboratory receipts or any of the matters hereinbefore mentioned, and although the defendant Douglas has been at all times ready and willing to account, and has accounted with respect thereto in so far as it has been in his power so to do; yet no complete account has been found practicable without an accounting with the defendant Rose also;" and also "that the said Rose fraudulently omitted to truly credit in the said laboratory ledger," etc.; and further, "that he has fraudulently appropriated the same (certain funds) to his own use."

3. It also alleges that Rose had not only fraudulently appropriated moneys, but "by fraudulent contrivances and misrepresentations" had induced Douglas to pay over and account to the Regents moneys which he has fraudulently used.

4. The bill prays that the court will find what amount Douglas has accounted for to the Regents, which he has not secured from defendant Rose.

5. It meekly prays for the court to find what sum may be in Douglas' hands, and make it an offset against what the University owes him.

It will be seen that the whole theory of the bill is that Rose is a rascal of the deepest dye, and Douglas an innocent and much injured man. Why he should be made a defendant in such a suit can only be explained on technical grounds.

How carefully his innocence is asserted and protected under the allegations in this bill!

How carefully the court is instructed to find no more against him than his accounts against the University will offset!

But what if the University owes him nothing? What would the court find in such a case?

It is not a little strange also that a bill drawn so carefully to protect Douglas should be full of mistakes in regard to Rose?

In the first place Rose was not in the employ of the Regents till nearly a year later than the bill asserts, if, indeed, he was even then.

In the second place he was, during those many years, never employed at all by a resolution of the Board, as the rules of the Board required. He was simply employed by Dr. Douglas as an accountant and held accountable to him alone.

Dr. Douglas was the Director of the laboratory, and in our opinion alone accountable to the Board.

We have very grave doubts whether the bill did not give away the case entirely. Certainly if Douglas was criminally in default it is a puzzle to know how it could be proved under the allegations of this bill.

The manner in which it is drawn can but force the conviction upon any candid mind that the influence brought to bear to secure the filing of such a bill must have its paternity traceable equally to certain Regents and the friends of Dr. Douglas, and such conclusion is clearly borne out by the testimony in regard to this unhappy transaction. We come now to the main question in this investigation, viz.: How much is the defalcation in the chemical laboratory, and to whose hands can it be traced?

After a most searching investigation by competent accountants who have spent months in analyzing, tracing, and tabulating these accounts, we are satisfied that the following analysis derived from their work sufficiently indicates, as far as can ever be known, the various classes of delinquent accounts, and the aggregate amount.

DELINQUENT ACCOUNTS—Chemical Laboratory, University of Michigan.

Yr. in which the Delin- quency Oc- curred.	No. of Acc'ts.	Missing Tickets and Certificates having the Red Line and D.	No. of Acc'ts.	Forfeited Acc'ts. Tickets in the hands of Stu- dents.	No. of Acc'ts.	Ledger Accounts. No Ticket or Certificate ever issued.	Total No. of Accounts.	Total Delinquen- cy for the year.
1864-5	*4	\$25 00					4	\$25 00
1865-6	10	70 30	3	\$30 00			13	100 30
1866-7	1	14 40	1	18 00	2	\$11 00	4	43 40
1867-8	8	175 30	1	30 00	1	5 80	10	211 10
1868-9	15	309 45	7	47 00	1	25 00	23	381 45
1869-70	13	345 95	9	90 00			22	435 95
1870-1	26	677 40	7	95 85	9	88 00	42	861 25
1871-2	17	465 65	16	211 25	18	170 40	51	847 30
1872-3	12	566 45	8	106 69	34	258 35	54	931 49
1873-4	9	306 80	15	229 55	31	544 20	55	1,080 55
1874-5	11	333 93	4	41 25	37	445 10	52	820 28
1875-6	6	59 10					6	59 10
-----	132	\$3,349 73	71	\$899 59	133	\$1,547 85	336	\$5,797 17

* Tickets not reported by Dr. Douglas—two of which were found with the Steward.

In the treatment we have given these delinquent accounts, they are divided into three classes, viz.: Accounts where the tickets are missing, or the certificates, corresponding with the stubs in the stub-book having the red line and letter D, are wanting. Accounts forfeited, where the certificates were never returned by the students. And accounts simply on the ledger, when no tickets or certificates were ever issued.

Of the first class there are in all 132 accounts, aggregating \$3,349 73
 Of the second class 71, amounting to 899 59
 And of the third 133, amounting to 1,547 85

The number of accounts in all being 336, aggregating \$5,797 17

Every account of the first class is confessedly traceable to Dr. Douglas' hand, unless the letter D in the stub-book is forged, or the red line, or both.

THE QUESTION OF FORGING THE INITIAL D.

The June committee, in their investigation took into consideration the question of the alleged spurious signatures or forged D's. In this investigation the question has not arisen directly, or, what would be a more proper statement, Dr. Douglas has not attempted to prove that there has been a forgery, although he has testified (p. 114) that he "believed" that a great many D's were forged, and especially (p. 115) the signature of "Douglas" on stub No. 44 in stub-book No. 2. We have made examination, and find in several places he has spelled his name in almost the identical manner, or in ways equally peculiar. For instance, on page 93 of the ledger for 1873-4 we find that he spelled his name "Doglas;" on page 141 of the same ledger we find his name is signed "Dou-les;" in "Exhibit J" we find his signature "Dougled;" and on the hotel register of the Lansing House, under date of Feb. 22, 1877, he has signed his own

name "Dougles," his brother's name "Douglas," and his son's name "Dougless." Thus it will be seen that it was not conclusive evidence of forgery because the name was misspelled. Dr. Rose testifies (p. 321) that Dr. Douglas signed his name to this stub, and to all other stubs where the letter D is placed as the initial signature; and Dr. Douglas, when asked if he would swear that he did not write it, said that he would not say that he did not, but that he did not think that he did (p. 588).

There are evidences from which your committee conclude that this signature especially is nothing but a genuine signature. In the first place Dr. Douglas claims or acknowledges (p. 588) that stub 43 is genuine, and the next one after, stub 45, is also genuine (p. 115). Now, stub 45 at the bottom of the page could not have been signed without glancing at stub 44 at the top of the page to see whether the initial signature had been placed on stub 44; and this name "Dougles," being an unusual manner of receipting on the stub-book, would have been detected at the time. And again, if any one had attempted a forgery, it is but reasonable to believe that there would have been an attempt at an imitation of the usual method of receipting, which was by the more simple and easy method of writing the initial D. Again, Dr. Douglas (p. 186) and Dr. Rose (p. 269) both testify that in their mode of settlement they usually, almost invariably, placed some mark upon the stub upon which they commenced the settlement and upon which Dr. Douglas commenced writing his initial, in order that they might know where to begin and count up to see what money was due Dr. Douglas from Dr. Rose. Now, if this was the case,—and we are satisfied from the testimony and from an examination of the stub-books, that it was almost always done in this manner,—we believe that there is but one conclusion which can follow, namely, that if there are forgeries they must occur immediately preceding those marks of settlement, and not scattered or mixed all through with the genuine. Again, we find there are some 12 or 13 stubs where the doctor has neglected to sign his initial D; and we are confident in the opinion that if Dr. Rose had been in the habit of forging he would not have failed to fill out these vacant stubs with the initial D in order to make sure of the only receipt that was given for deposit money turned over to Dr. Douglas.

An important factor of this defalcation, and which is so closely connected with the genuineness of the signatures, and which goes to swell the delinquency, is the

"MISSING TICKETS,"

all of which have the D and the red line. The deposits on these stubs amount to upwards of \$1,000; and, as we have stated that the evidence before this committee shows, and also the stub-books, the initial D's could not have been forged only at intervals, and immediately preceding the settlement marks; and as there has been no evidence to prove such forgeries, and as the stub signed "Dougles" is not in a position in the stub-book where it could have been a forgery, your committee find that this whole sum of the deposit money must have been in the hands of Dr. Douglas, and unaccounted for by him.

Dr. Douglas has also claimed (pp. 149 and 221) that this deposit money was in his hands

"SUBJECT TO CALL,"

and as we find no instance where one single dollar of this money was paid back, we cannot see how this claim can be substantiated; and as we find that he has

never paid back a single dollar to a student, neither any moneys to Dr. Rose,—which he would have done had this been called out of his hands during this period of ten years,—we are forced to the conclusion that it has been kept “on call” almost too long for the best financial interests of the University!

We also find, in regard to this question of moneys on call, that Rose always had to pay a balance to Douglas, so that moneys once passed to Douglas were never called back or made subject to call; also, Dr. Douglas states (p. 582) that he kept no entry or account of this deposit money; but your committee see in that statement no valid or adequate reason why he should have retained these moneys, amounting to upwards of \$1,000, in his hands, running through these eleven years, or why he should not have reported those deposits each year; and we therefore think that this deposit money was not reported by Douglas and is in his hands.

A further fact in connection with these missing tickets is that each stub corresponding has a red line, which indicates, according to the testimony of both Rose (p. 276) and Douglas (p. 113), that the ticket corresponding, and the money called for by the back of the ticket, had been turned over to Dr. Douglas. As there is no evidence before the committee showing that those red lines are misplaced or are not genuine, we are forced to the only conclusion possible, that Dr. Douglas has received the certificates and the money from Dr. Rose. To further sustain this conclusion, we find that there is every evidence that some of those missing tickets were turned over to Dr. Douglas but not returned by him to the University, namely:

YEAR.	NO. OF STUB.	NAME.	AMOUNT.
1872-3	73	A. K. Hale	\$67 00
“	89	T. S. Wilber	63 05
“	72	R. H. McCarthy	89 10
“	1	S. D. Chapin	49 25
“	64	A. C. Stevens	65 90
“	85	S. Armstrong	40 35
“	92	H. Ehrhardt	52 10
1873-4	150	T. A. Cady	34 25
1874-5	62	L. F. Beach	51 40
“	207	J. H. Sauls	18 30
“	183	M. E. Johnson	31 15

The evidence besides the red line is clear that these tickets were returned to Dr. Douglas, as they were included in the final settlements of those years, and the amount paid at these times must have included these tickets, as there was nothing else possible that could have been included to make the sum paid by Dr. Rose to Douglas at those times, as shown by the bank checks; and further, the ticket of G. W. Harvey, \$34.35, which has the red line but is not with the steward, is upon the wrapper No. 1. This ticket must have been passed over from Dr. Rose to Dr. Douglas, else it would not have appeared upon the wrapper. Further, the accounts of the three names of C. F. West, \$11, C. C. Miller, \$11.15, and F. C. Murdock, \$11.95, were receipted for by Dr. Douglas under his own hand and signature Dec. 10, 1875, stating that he had received the above three vouchers with the money to correspond. They also have the red line upon them, and the accountant, Tregaskis, finds they are yet unaccounted for to the University by Dr. Douglas, he having never reported the money or returned the vouchers or certificates.

FORFEITED ACCOUNTS.

A "forfeited account" consists in this: When a student enters the laboratory and makes the customary deposit, he then works for a period of time, using materials amounting to sometimes less than his deposit, but usually more: he then leaves without settling his account, taking his ticket with him. According to the by-laws, a student so leaving before he had worked three months and not having used material to the amount of his deposit, the balance of the deposit was a forfeit to the University; but they more frequently left the laboratory owing the same; and it has been customary in all these investigations to treat the original deposit in these cases as forfeiture also. In some cases, after working out his original deposit and wishing to use more materials under the rules, he was required to make an additional payment or deposit, which, provided he left as before stated, without making a settlement, has been termed a "sub-payment" (that is, subsequent payment) on forfeitures.

As the unreported forfeitures and the sub-payments on forfeitures amount to something like \$900, your committee deem it an important feature in this defalcation, and have endeavored to give that attention to this class of accounts that we considered their great importance demanded of us. Your committee find that in the first five years covered by this investigation, namely, 1864-5, 1865-6, 1866-7, 1867-8, and 1868-9, Dr. Douglas in his annual settlements has reported the forfeitures at the end of the year in which they occur; also the sub-payments for the same time and for the year 1869-70; and that for the next five years thereafter we find no mention made of this class of accounts in the doctor's annual reports. The next time this class of accounts appears upon Dr. Douglas' reports is in his annual report for the year 1874-5, made out at the time of the discovery, or *after* this defalcation was discovered. In every year previous to this, excepting two,—of which the records make no mention,—the records show that these reports were handed in in the month of June; and when we consider that this report should have been made out in June, and that for five years these accounts have been kept in the background, we are forced to the conviction that this report at this time is something very peculiar, to say the least. This report contains the larger part of the forfeitures for 1872-3 and 1873-4; and the quarterly report following this contains nearly all of the forfeitures for 1874-5, leaving still wholly unreported the forfeitures for the years 1869-70, 1870-1, and 1871-2.

Dr. Douglas testifies in regard to these forfeited accounts as follows: Page 198 he states that Rose made annual reports of the forfeitures and he reported them; page 636 he says Rose never reported to him any forfeited accounts but what he reported to the Regents; he also put in evidence (p. 158) what he claims as an annual statement of forfeitures, and testifies (page 198) that Rose made him similar ones for the other years; and page 614 he says in every case he reported them to the University.

If this is true, why has the doctor failed to report for the five years we have named as unreported? Page 164, Dr. Douglas testifies that forfeited accounts will be found credited on his reports from year to year. So your committee find,—except for the years 1869-70, 1870-1, 1871-2, 1872-3, 1873-4, in which reports we fail to find one single dollar.

Pages 158 and 159, Dr. Douglas testifies that he frequently examined the stub-books, and would say to Rose, "Why don't you settle these accounts up and get them out of the way?" Page 198, he swears that he and Rose

looked over the stub-books together for forfeitures; and in this, almost for the first time, he is corroborated by Dr. Rose. Page 198, Dr. Douglas testifies that there were frequent sub-payments on forfeited accounts, and gave an example of such account,—Mr. Thum's. If this statement is true, as it really is, why did not Dr. Douglas use every means in his power to collect them and then report them? Page 199, he says he never required the sub-payments on forfeited accounts. Since he knew that such accounts did exist, why not require them? And then on page 636 he testifies that Rose never reported to him any sub-payments on forfeited accounts, and he never knew of such. We cannot imagine what the doctor was thinking of, when we find that he has reported them in every year for the first six years.

He also in 1867-8 received the account of one Pomeroy, of \$30. This was a sub-payment on forfeitures, and he receipted for the same on the ledger with his own signature; and the doctor, forgetting the receipt of this account, has up to the present time failed to report it. In Dr. Douglas' account for 1873-4 we find the account of one Parsons, amounting to \$44.95. This was a sub-payment on forfeited accounts, and was collected personally by Dr. Douglas in 1871-2. Mr. Parsons had three accounts, one on the pharmacy ledger, page 46, of \$27.95; on page 367 on the qualitative ledger, of \$4.95; on page 155 of the same ledger, of \$27.05, of which \$15 had been paid. Dr. Douglas collected this money and reported it; but he failed to balance the ledger; and if he had forgotten to report it, as he did in the case of Pomeroy, it would have been a debtor balance against Mr. Parsons. He also received on the account of one Isgrig \$47.80, which was a sub-payment on forfeited accounts; and in his testimony (p. 609) he testifies that there will be found quite a number of tickets like Isgrig's reported. There is no entry of cash upon the ledger, but simply a statement "Paid S. H. D.;" and he also reports the same in his annual report for 1868-9.

Dr. Douglas testifies in one place (p. 636) that Rose wrongfully reported to him 28 forfeited accounts. Again, in another place (p. 615) he makes this report number 29; in still another (p. 614) 33; and the doctor's brother in his argument makes 36! which is an immensely fine growth for one report, the mean average of which is just $31\frac{1}{2}$. If Dr. Rose did so report, it must have been in the year 1874-5, as there had been no forfeitures reported for six years previous, and as for this year the doctor has put in evidence a document marked "Exhibit E," what he claims to be a report of Dr. Rose for forfeitures for the year 1874-5. We have examined this report and find that with one exception the names are correctly reported as the forfeitures for that year. The forfeited accounts which Dr. Douglas puts in his original report for this same year, with the exception of the name of Granger, are not the names that appear upon the report of Dr. Rose. Now, certainly, if Dr. Douglas made a mistake of 27 names out of 28, he surely cannot lay the blame to Dr. Rose. Page 636 he testifies that the forfeitures average only $3\frac{1}{2}$ per year, of which Dr. Rose has reported $1\frac{1}{2}$. The truth is, your committee find that these accounts average nearly 13, a list of which, with the amounts received, is hereby appended.

The forfeited accounts and sub-payments on forfeitures for the several years covered by this investigation are as follows, R meaning what are reported in annual statement:

1864-5.

- | | |
|-----------------------|----------------------|
| R. \$10. Ackerman, R. | R. \$10. Mendenhall. |
| R. 10. Brush, J. A. | 10. Thompson. |
| R. 10. Hood, R. C. | 2. Taylor, Gr. |
| 10. Milne, I. | |

1865-6.

- | | |
|-----------------------|------------------------------|
| R. 8. Allen. | R. 10. Jackson, J. B. |
| R. 10. Brock, C. L. | R. 10. Jones, W. |
| R. 10. Baker, E. F. | R. 10. Kibbee, Kibbee, H. U. |
| 10. Berry, W. R. | R. 10. Lorenz, T. |
| R. 10. Crawford, W. | R. 10. Maynard, C. W. |
| R. 10. Graves, O. G. | R. 10. Rising, W. |
| R. 10. Griffin, W. L. | R. 10. Smith, E. |
| 10. Hysinger, G. W. | R. 10. Young. |

1866-7.

- | | |
|----------------------------|-----------------------|
| R. 10. Burnett, E. W.—\$8. | R. 10. Freund, I. |
| R. 10. Corey, A. L.—\$8. | R. 5. Foote, A. E. |
| R. 10. Crook, F. A. | R. 10. Kilburn, E. A. |
| R. 10. Drake, H. R. | R. 10. Smith, F. |
| R. 10. Dickson, J. C. | R. 10. Smith, D. C. |
| R. 10. Ellis, A. W. | R. 10. Tyler, J. B. |
| R. 10. Frackleton, W. | |

1867-8.

- | | |
|-----------------------|-----------------------|
| R. 10. Austin, J. H. | R. 10. Isgrig, I. |
| R. 10. Burnett, E. W. | R. 10. Pomeroy, E. H. |
| R. 10. Brooks, G. | R. 10. Welsh, J. S. |

The six tickets of 1867-8 are reported in that \$104 25.

1868-9.

- | | |
|-----------------------|------------------------|
| R. \$10. Bissekomer. | R. \$10. Farand, I. N. |
| R. 10. Brown, E. J. | R. 20. Hunter, C. T. |
| R. 10. Carey, H. C. | R. 10. Justice, D. C. |
| R. 10. Donneck, O. A. | R. 10. Morgan. |
| R. 10. Drake, W. L. | 10. Eminger, G. H. |
| R. 10. Dodge, J. S. | 5. Hood, C. H. |
| R. 10. Ewing, H. J. | 8. Spoons. |
| R. 10. Edwards, J. | |

1869-70.

- | | |
|---------------------|------------------|
| 10. Colgrove, W. A. | 10. Severson, J. |
| 10. Morris, Hale | 10. Winslow, A. |
| 10. McKinnie, W. | 10. Morse, F. L. |
| 10. Phelps, C. | 10. Jenks, H. |
| 10. Reaves, E. A. | |

1870-1.

- | | |
|----------------------|-------------------|
| 5. Blackburn, T. S. | 10. McLean, M. G. |
| 10. Donaldson, C. P. | 10. Waite, W. |
| 10. Dundas, R. T. | 10. Wilcox, W. R. |
| 10. Fisher, J. | |

1871-2.

- | | |
|-------------------|--------------------|
| 10. Bonter, J. | 10. Koon, E. C. |
| 10. Campau, M. T. | 10. Little, P. |
| 10. Davis, G. A. | 20. Montgomery, M. |
| 10. Fisher, J. | 10. Puren, J. B. |

\$10. Frittz, F. F.
 5. Fleck, J. A.
 10. Griffith, P. B.
 10. Greene, J.

\$10. Stevens, J. B.
 10. Snitzer, J. W.
 10. Truman, T.
 10. Wright, C.

1872-3.

10. Ayers, W. A.
 R. 10. Brown, J. G.
 R. 10. Easton, R.
 R. 10. Granger, W.
 R. 10. Head, W.
 R. 10. Johnson, A. C.
 R. 10. Keeny, J. R.

R. 10. Keebey, J.
 R. 10. Martin, S. T.
 R. 10. Perry, W. H.
 R. 10. Rose, L. C.
 R. 10. Sams, J. G.
 R. 10. Young, F.

Those marked R. in the above year were reported in 1874-5, after the discovery of the defalcation.

1873-4.

'74-5. R. \$10. Alderton, A. C.
 '74-5. R. 10. Bowers, F. L.
 10. Bartlett.
 '74-5. *R. 10. Blakely, J. M.
 10. Desnoyer, D.
 '74-5. R. 10. Earle, H. D.
 '74-5. R. 10. Gunn, J. A.
 '74-5. R. 10. Haeusler, G.
 10. Hunter, L.

'74-5. R. \$10. Huntington.
 '74-5. R. 10. Logan, R.
 10. McCullough,
 10. Mitchell, J. N.
 10. Norris, M. M.
 '74-5. R. 10. Sunns, J. R.
 '74-5. R. 10. Thum, H.
 '74-5. R. 10. Van Meter, J. L.

1874-5.

Reported in 1875-6, after the defalcation was discovered.

'75-6. R. \$10. Allen, M. A.
 '75-6. R. 10. Andrews, J. E.
 '75-6. R. 10. Cable, B. F.
 '75-6. R. 10. Chavey, S. W.
 '75-6. R. 10. Christiancy, V. H.
 '75-6. R. 10. Chapin, F.
 '75-6. R. 10. Engle, S. P.
 '75-6. R. 10. Granger, C.
 10. George, J.
 5. Hollister, C. A.

'75-6. R. \$10. Lungren, W. T.
 10. Moffatt, W. E.
 '75-6. R. 5. Norris, M. M.
 '75-6. R. 10. O'Sullivan, E. P.
 '75-6. R. 10. Rich, J. R.
 '75-6. R. 10. Sheffield, W. C.
 '75-6. R. 10. Search, R.
 '75-6. R. 10. Sherwin, W. W.
 '75-6. R. 10. Vaughn, L. R.
 '75-6. R. 10. Woodworth, Z.

Dr. Rose testifies (pp. 298-302) that the stub-books were looked over by Douglas and himself every year for forfeitures, and in this statement we find he is corroborated by Douglas on page 198, and that these were settled at their annual or final settlement for each year is but a rational conclusion, since until the close of the year they did not know but that the student might return and settle up his account or give up his certificate. Dr. Rose also testifies (p. 303) that this report marked "Exhibit E"—if "report" it may be called, as it is a mere list of names and the amount of forfeitures for that year—was made out at the request of Douglas on the 18th day of October, on the day this defalcation was discovered, and was the only one of the kind that he ever made out; and since no others have been produced, and the testimony of Dr. Douglas is so conflicting on this point, we are disposed to accept the one statement of Dr. Rose which Dr. Douglas corroborates, namely, that the usual custom was to look through the stub-books together for forfeitures.

Your committee, in view of all the testimony, and in view of the fact that Dr. Douglas held the money on this class of accounts, and further that there was no possible mercenary motive which could have influenced Dr. Rose to withhold the reporting of this class of accounts,—if it was part of his duties to report them,—in view of the fact that Dr. Douglas for six years did report them, and that after this defalcation was discovered he made such haste to report those which should have been reported years before; that he reported some accounts as forfeitures, the tickets of which are with the steward, we are forced to the solemn conviction that for those five years in which he did not report, he not only did withhold moneys belonging to this class of accounts, amounting to about \$900, which should have been reported to the University, but he consciously withheld the same.

STUBLESS ACCOUNTS.

“Stubless accounts” are accounts in which the student never made a deposit, or never had a stub. In the testimony of Dr. Douglas at Ann Arbor (p. 120), and in fact throughout all this investigation, with a single exception, he has endeavored to create the impression that stubless accounts were not, in any way, known to him, and that he was perfectly ignorant of their existence. As this is one of the important features of all this delinquency, we have endeavored to make a very thorough and searching investigation in regard to this class of accounts, and have come to the unanimous conclusion that not only was Dr. Douglas aware of the existence of such accounts, but we find in many instances where he has recognized them, where he has settled them himself, and has received the pay from Dr. Rose for this same kind of accounts. The way in which such accounts are created is this: A student from the literary department, or one who had taken some course in the analytical department, having settled up his business in that particular branch in which he was engaged, concludes to take another course; they having become acquainted with the student, knowing him to be perfectly reliable and responsible,—or, as Dr. Rose testifies (p. 270), having become acquainted with him “as a merchant does with a good customer,”—he not having the money to make the customary deposit, and is permitted to go to work without making a deposit, or taking out a ticket. An account is commenced with him on the ledger; and when he has finished his work his account is settled up on the ledger.

That the Director of the laboratory, Dr. Douglas, has recognized such accounts and has received the pay for some of them, we give the following indisputable evidence: In the year 1864–5 we find the Director has reported the following names of students who had no tickets with the Steward, and Dr. Douglas in his testimony in this investigation (p. 616) has said that he believed that no tickets or vouchers had been lost. Again he states (p. 199) that he never received money without a voucher. Also there are upon the ledger evidences that some of those students never made any deposit of \$10. The following are the names reported for that year: J. W. Hadley \$10, M. C. Mendenhall \$10, R. Aikman \$10, T. M. Stewart \$10, J. A. Brush \$10, J. F. Aris \$1.27.

In 1866–7 Dr. Douglas reports the following names without a voucher,—which are equivalent to stubless accounts: J. B. Frost \$18.50, J. W. Heisinger \$10, H. C. Kibbie \$14.93, G. S. White \$26.60. So much for stubless accounts, or accounts without a voucher, before Dr. Rose came into the laboratory.

In the year 1867–8, Dr. Douglas reports an item of \$104.25. He has at one

time claimed—and we can see no reason for the claim—that this \$104.25 was for delinquent accounts in the years 1864-5 and 1865-6. At another time he swears that this \$104.25 must be for forfeited accounts (pp. 164 and 166),—as it is entered in his laboratory book in two items as forfeited accounts,—one of \$90 and the other of \$14.25; and when the question was asked if odd cents or odd dollars were ever given for forfeited certificates,—he being aware that it was an utter impossibility for such an account to exist, suggested (p. 667) that the \$14.25 might be an apparatus account. Now, since the entry was made in the wrong manner in the book, in regard to the \$14.25 of this account, and since his suggestion harmonizes with the account that Dr. Rose gives (p. 292) for this amount of \$14.25, we are led to believe that this book is further in error, and that the \$90 entry which goes to make up the \$104.25 reported for this year, is just what Dr. Rose claims it is (p. 308), and what his memorandum book kept for that year, in which there appears a \$14.20 apparatus account, \$60 forfeited accounts, and \$30.05 stubless accounts, shows it to be. If this is not a fact, figures seem to tell that for which they were never intended.

In 1868-9 Dr. Douglas reports an item as “sundries, \$66.19,” also entered upon his laboratory book for the same year. It is a wonderful coincidence, your committee believe, that this account should exactly fit the apparatus account and also the stubless accounts for that year, consisting of Boehme \$14.20, Jarvis \$5.85, and Goldsberry \$26.80, which we find Dr. Rose has also entered upon his diary kept for that year, which bears every evidence that the accounts were entered at the time the settlement took place with Dr. Douglas.

Again, in the year 1867-8, page 92 on the ledger of that year, appears the account of E. J. Weeks, a stubless account, marked on the ledger “settled with Dr. Douglass.” In the beginning of this examination we did not pay that attention to this account that we otherwise would, as the words “settled by Dr. Douglas” are in the handwriting of Dr. Rose; but in the investigation of the University warrant voucher account we found that the settlement did actually take place, and that Mr. Weeks, at the time he created this account, was assistant in the laboratory, and was paid each quarter \$40 for his services; that on the second day of June he was paid his quarter’s salary, namely, \$34.20, in a bank check for that amount, which, together with this stubless account of \$5.80—said to be settled by Dr. Douglas—is the total amount due the said Weeks at that time, and for which he gave his receipt, which receipt Dr. Douglas turned over to the University as a voucher for his assistant account; and we also find the check for \$34.20—on what business principles we know not—in the hands of the steward as a voucher for assistant account. We see the check for \$34.20, and the stubless account of \$5.80 which Dr. Rose says was settled by Dr. Douglas, is the full amount for which this \$40 receipt was given, which bears the same date and was the full amount due Mr. Weeks for that quarter.

In the year 1868-9 Dr. Rose was paid by draft from one John F. Oakes. This draft was turned over by Dr. Rose to Dr. Douglas, but was never reported by Dr. Douglas; but in the following year Dr. Douglas charges up the University this same draft as protested. By this adroit movement it will be plainly seen that the University has not only lost the money which it should have received from Mr. Oakes, but has paid Dr. Douglas \$25 because the draft was protested. Nor is this all. The doctor testifies (p. 218) that he took every means in his power to collect this money, and in after years he did collect nearly or quite all of it; and as we find no place where the doctor has accounted for this,

we are forced to accept the conclusion that the doctor, from the University and Mr. Oakes together, has received \$50, which is just the amount the University has lost by the non-payment of the Oakes account, and the payment of the doctor because he could not collect the draft, *and this account of John F. Oakes was a stubless account.* Now, if Dr. Rose had paid this account in currency, which was usually his custom, we must believe that this would have been a delinquent account against Dr. Rose to-day, as it is at present unaccounted for by Douglas to the University.

From these facts, together with what has been said of the accounts of Pantlind, Thomas, and Hubbard in the fore part of this report, we can arrive at but one conclusion: that not only were stubless accounts a part of the recognized system of the business of the laboratory, but originated before Dr. Rose entered the laboratory, and also were known to and recognized by the Director of the laboratory from the time Dr. Rose entered until this defalcation was discovered; and the same class of accounts exist there to-day. Surely the Fates in these instances have not been favorably disposed to the theory that there were no stubless accounts recognized by Dr. Douglas.

It is claimed by Dr. Rose (p. 270) that these stubless accounts were always settled up at the close of each year, or at what he terms an "annual" or "final settlement;" and that there was such a thing as a final settlement there is no doubt, as Dr. Douglas in his testimony (p. 637) speaks of a final settlement of June, 1873-4; and the stub-books and all the evidence go to show that there were final settlements, as Dr. Rose claims; and Dr. Rose also claims that these accounts nearly all occur at the end of the year, and that most of them are settled by the students in June; and in this statement he is borne out, your committee find, by the settlement of these accounts upon the ledger; and this being the case of necessity, if they were settled at all, they would come into the final settlement in June. And these statements of Dr. Rose are further corroborated by the cases to which we have alluded, of these stubless accounts being settled by Dr. Douglas, for we find that they were all adjusted in the final settlements of the year.

It is also claimed by Dr. Rose (pp. 294-7) that for the last three years covered by this investigation he has positive proof that these stubless accounts were included in the final settlements, namely, for the years 1872-3, 1873-4, and 1874-5; and your committee believe that the evidence adduced before it bears him out in the statement; and there has been no evidence produced in the least to the contrary, except for the year 1873-4. Dr. Rose has given all the dates of the settlements for these three years, and also the dates of final settlement. The dates of none of these settlements are disputed by Dr. Douglas, except for June 13 and June 19 of the year 1873-4 (p. 634).

Now, your committee have found that when the dates of settlement are given, and the time which the settlement covers, it is very easily determined what must of necessity go to make up or compose each settlement. The stub-books will show how many certificates have been issued and the amount of deposit money due from Dr. Rose during that time; and an examination of the ledger or certificates would show how many students had settled with Dr. Rose during that time, and how many tickets were in his hands to be accounted for by him. The date of every such settlement has been given for these three years, and Dr. Rose is corroborated in his statement by settlement marks that occur upon the stub-books, which Douglas (p. 186) admits to have been made for this purpose; and they are further corroborated in the year 1874-5 by bank checks for all but

two, and they agree in date with the settlement marks on the stub-books; and in further corroboration these dates of settlement are also stated by Douglas to have been such by the receipts given under his own hand and signature on Rose's "long book;" and further, the settlement of June 13, 1874, for the year 1873-4, which the doctor has endeavored to put out of existence and denied, in what seems a Providential manner is further corroborated by the following:

A settlement took place the 2d day of April, and all the stubs of that settlement are receipted for with the initial D in pencil. All of the tickets on wrapper No. 9, as shown by the ledger and the back of the ticket, were settled by the student on the 2d day of April or previous to that date, and must have entered into that settlement. Stub No. 230, which follows the last stub signed with the D in pencil on the 2d day of April settlement, is written in ink. On this stub is the cross of settlement; also in Dr. Douglas' handwriting in brackets "13th J." This settlement included the balance of deposit money for that year receipted for by the letter D in ink,—all of which certificates were issued before the 13th day of June. The only remaining ticket in that year's business is an apparatus ticket for \$206.23, issued June 26th, the date of final settlement, and which was settled on that day, as claimed by both Douglas (p. 635) and Rose (p. 331), which is this time initialed in pencil.

Now, at this June 13th settlement, besides the deposit money, \$195, there were in the hands of Dr. Rose all the tickets embraced in wrappers No. 3, 4, and 5, and two loose tickets, which upon the ledger and upon the back of the tickets, show that they were settled by the students with Dr. Rose before June 13,—and therefore, according to the way of doing business in these settlements, must be embraced in this June 13 settlement. The records fully show that this settlement took place as stated by Dr. Rose.

That there was a settlement June 19 of this year, as claimed by Dr. Rose, is not shown by the stub-books, as there were no tickets issued after June 13, on which the settlement mark or cross could have been placed; but there are other circumstances and evidences which lead us to believe that he has stated the truth in regard to this settlement, and that it did take place as stated by him. Dr. Rose testifies that these settlements did usually take place preceding the June meeting of the Board of Regents, in order that Dr. Douglas might make his annual report to the Board for the year.

Dr. Rose testifies (p. 335) that Dr. Douglas did come, as had been his custom for eight years previous, to make the final settlement; but owing to the fact that there was a large number of unsettled accounts still outstanding, as shown by wrapper No. 11, which were settled between that date and June 26, the date of the final settlement of the year, he claims that the final settlement was deferred and a settlement made for what he did have in his hands, that is wrapper No. 1. The tickets in this wrapper seem to confirm this, as the last ticket settled as enumerated by this wrapper was settled on June 18. An examination of the records shows that Dr. Douglas did not hand in his report at the June meeting of the Regents, as had been his custom of previous years; and we can see no valid reason why this report was not handed in at the customary time unless on account of their not having had a final settlement, which further corroborates the testimony of Dr. Rose why the final settlement was not made at that time.

Another and more conclusive reason why this settlement must have been as stated by Dr. Rose is this: Dr. Rose testifies (p. 270) that these final settlements

embraced, first, all the tickets which would show by their dates of settlement to have been in his hands at such a time; second, all the stubless accounts occurring during that year which had been settled up to this date; and third, all the sub-payments on forfeited accounts which had occurred up to this time. The amount of these regular tickets as given by Dr. Rose, together with the stubless accounts and sub-payments on forfeits, amount to \$1,290.18. The check for the payment of this amount on the National Bank at Ann Arbor was \$1,290.

Your committee find an error in the accounts given by Dr. Rose which go to make up this \$1,290.18, of \$19.75; and Mr. Tregaskis also makes this error, and reports it as a delinquent account for that year, instead of 1874-5; and when we take into consideration that Dr. Douglas fails to make any reasonable statement of the accounts which go to make the amount for which this check was given, as we will hereinafter show, and that in all the accounting for moneys in his hands this is the only mistake made by Dr. Rose which your committee are able to find, we can but believe that his accounting is as correct as could have been expected, after the lapse of several years, when he has once accounted for all moneys in his hands to the one to whom he was held responsible, and with no vouchers left for his defense only what seems providential.

In all the former investigations, Dr. Douglas has claimed that those wrappers for the year 1873-4 were 12 distinct settlements, and in this investigation (p. 185) he has positively sworn that the wrappers represented 12 distinct settlements, and not until confronted with this \$1,290 bank check, has he in any way changed in the least his testimony in regard to these settlements; but this was a new phase of the affair, and as there was no wrapper in all of those years that represented moneys amounting to anywhere near this amount, there must be a new theory adopted, and the old line surrendered or deserted. So Dr. Douglas, with as much ease as could have been imagined, adopted the new theory (p. 634) that four wrappers and one apparatus voucher went to make up this settlement for which this \$1,290 check was given.

Let us see whether this theory is any more tenable than the first. He testified (pp. 156, 196) that wrapper No. 1 was settled in February, when in fact the students represented on this wrapper, as the tickets and the ledger show, had not settled with Dr. Rose until between June 13 and 19 following. Now, that wrappers No. 1, 3, 4, and 11 (as numbered on the wrapper, and the numbering used throughout all this investigation) could not all, together with the apparatus ticket of \$206.23, make up this amount of \$1,290, we give the following reasons: First, that the period of time that this statement covers is something like three months when Rose (p. 269) and Douglas (p. 185) both testified that the settlements occurred about once a month; second, he has left out \$195 deposit money which the stub-book shows was received during that time; and third, he has left out wrapper No. 5 entirely, with 27 tickets, amounting to \$361.90,—all settled by the students with Dr. Rose during this period; and as Dr. Douglas did not admit any settlement to have taken place from April 2 until June 26, the final settlement, we, accepting the Doctor's version of the settlement of this period, ask, Where was this package of 27 tickets contained in wrapper No. 5 reported? They could never have been accounted for to the University, which is an utter impossibility, as these tickets are with the steward and have been duly settled; fourth, and also for the reason that the books did show that there was a settlement June 13, which is denied by Dr. Douglas.

The evidence is very plain, your committee believe, that Dr. Rose has reported this stubless money for these three years,—1872-3, 1873-4, and 1874-5, amount-

ing to \$1,134.50, and that the same was actually paid to Dr. Douglas; and that all the evidence goes to show that there were final settlements at the end of each year, in which these stubless accounts were settled for as between Dr. Rose and Dr. Douglas; and when we take into account the testimony that wherever bank checks or drafts appear they are sure to reveal that stubless accounts have been reported by Dr. Rose, we are confidently of the opinion that Dr. Douglas has received the money for this class of accounts when they were paid in currency; and that he has held this money all these years unconsciously we cannot believe.

TESTIMONY.

In all the testimony taken in this case it will be very evident to any one reviewing the same that there is a vast amount irrelevant, and we did not see how we could avoid it, as when we commenced this investigation we were perfectly ignorant of the manner of doing business in the laboratory, and we had for a time to grope in the dark for facts. Your committee believed that the truth should be disclosed, and we have therefore given the broadest latitude in order that no one should have reason to complain because we would not receive testimony.

CONFLICTING STATEMENTS AND CONFLICTING TESTIMONY.

We have endeavored to weigh all this evidence and pay that regard to it that it seemed to demand of us. We have found some of the witnesses swearing to one thing to-day and another to-morrow. Some testimony was so utterly inconsistent with the books and reports that we found it utterly impossible to give any credence whatever to it.

For instance, Dr. Douglas testifies (p. 226) that all the accounts during Lewis' time had been properly reported to the Regents, when, on the other hand, Climie, Briggs, Tregaskis, and the books all show a delinquency of about \$60.

He testifies, pages 120-1, that he did not know of any account without a stub. This was a new development. He afterwards testifies (page 181) that there were such accounts in all those years, and the records show where he has settled these accounts himself.

In the June-7th testimony, on the last page, he stated that the D's were cut out by the first committee. On page 168 of the present testimony he swears, "*We* cut them out." The next day (p. 176) he corrected it, stating that *he* cut them out.

On pages 148 and 155 he testifies that bargains for commissions were made with the Board of Regents, page 204 with the finance committee, and page 34 of June testimony with Gilbert. All of the Regents testify (pp. 57, 247, 430, 476) that they knew of no bargains being made beforehand.

Page 581, he states that the reason why his book shows \$238.15, and his report \$288.13, was because the finance committee probably altered that item in his report. We can hardly see why, with their known generosity, they could have been so kind.

Pages 193 and 199, he states that no money passed between him and Rose without a voucher; yet the records show hundreds of dollars so reported.

Pages 176 and 203, he states that he never was alone with the books for a moment. In this he is refuted by Bennett (p. 356-7), George (p. 551-2), Briggs (p. 423), and Tregaskis (p. 659).

Page 205, he testifies that he had no knowledge of the sub-payment stub-

book. He afterwards acknowledges (pp. 618-9) that he got them printed, and that he gave Miss Crane instruction in the keeping of the accounts; and we find his name in his own hand upon the book.

Page 636, he says Rose never reported or paid to him any sub-payments on forfeited accounts, and he never knew of any such payments. Such accounts are upon his report for the first six years.

Page 615, he stated that Rose reported to him 29 forfeitures amounting to \$208, in July, 1874, "after I had made my annual report." The records show that this report was not made until October, 1874. Why not include them when he did make the report? He says (p. 615): "They were credited on my book in July, 1874; there is the original entry, and it was made in July or during vacation. I had made my annual report for that year. They had nothing to do with the defalcation." He had not made his report, and the next day, when his attention was called to it, he said it was entered in November (p. 640). Then in July, then in November!

Page 156, he swears that wrapper No. 1 was settled Feb. 27, and then, page 634, swears that No. 1 was included in the final settlement in June.

Page 155, he swears that the wrappers for 1873-4 are 12 distinct settlements, and afterwards, page 634, combines 5 of them in one settlement and swears to it!

The foregoing are only a few of the instances where we find that Dr. Douglas has testified in contradiction of himself, or other witnesses, or of the records introduced before this committee as evidence.

In no place in the evidence of Dr. Rose do we detect any conflicting testimony, either with himself or the records, excepting the error of \$19.75, which went to make up the bank check. His testimony does conflict with statements that he had previously signed. So do the stub-books, records, and reports of Dr. Douglas. Rose's testimony is borne out by the records; and we are, therefore, disposed to believe that the statements then made, and the conduct of Dr. Rose at the time of the discovery of this defalcation, was nothing more than the weakness of a man who supposed that he was in the power of his enemies, and who had never taken but always given vouchers, except the D and the red line, if they may be considered vouchers. We none of us know what we would have done under similar circumstances. We cannot believe that there is money in his hands, unless by the very few mistakes which have been shown in his book-keeping, which work the accountants and your committee believe shows as few mistakes as the average, or even fewer.

UNIVERSITY "SCRATCH BOOK."

Dr. Douglas in his testimony (pp. 117, 132, and 187) has based a great share of the credibility of what he has stated upon what he has termed the "University scratch-book," and a report of this investigation would be incomplete without a review of this very important book. As the doctor has at various times based his statements upon the contents of this book, we have taken it into very careful consideration, and have noted what is claimed for it, and whether it is a book of "original entries," as the doctor has repeatedly sworn that it was.

Page 117, Dr. Douglas swears that the entries on this book were made when he received the money. Nowhere within the book do we find the money represented by the checks.

Page 117, again, he says the book is a rough one, and does not purport to be correct.

Page 132, he says the entries were made at the time they were dated. Then how could the dates be reversed in many instances?

Page 175, he says every account was kept in the scratch-book except stub accounts. We do not find the laboratory assistant account in full.

Page 187, he says his annual reports are supposed to be duplicates from his scratch book. If so, we cannot see why they should not show that part of the assistant account which appears on the book.

Page 195, he says he don't know whether this book will show the dates of settlement. It should do so if the moneys were entered on the date of the settlement.

Page 195, he says that he is unable to give exact dates by this book.

Page 196, he says he does not keep dates very carefully in the scratch book, and could not identify settlements without considerable trouble. Then it would not be safe to rely on it for dates.

Page 258, he says the \$50 entry was made at the time of the transaction with the Ann Arbor union school. Afterwards he stated that this whole account was entered on the scratch book when he made his report. The report was made some two years afterwards. And we find that the whole list of the accounts and the entries of figures with the Ann Arbor union school are in ink, while the \$50 is in pencil, and the whole account foots up just \$50 less than it should; and we find no place where Dr. Douglas has accounted for this \$50, and therefore it should be charged to him.

Page 635, he says that the 12 packages were taken immediately from Rose to his house and entered upon this book. If this was the case, we cannot see why the packages should be reversed and the apparatus ticket of \$206.23 entered first of all when it was the last account settled in that year.

In several places in this book your committee find that entries have been changed to suit, or in order to make debits and credits balance. It is frequently in the entry of commissions that this occurs.

We also find that up to 1859 this book, while it has many erasures and errors, bears evidence of age and of having been used for some such purpose as is claimed, as it is all written in ink, and the different shadings of the ink show that the entries were made at different times. After 1858 there is a sameness to the work which could not appear in an original-entry book,—no change in the handwriting; whereas Dr. Douglas swears (p. 587) that his hand has changed in several years. All, or nearly all, comparatively, is written in pencil. In many cases the dates are reversed, and in several the years are reversed; as, for instance, on page 135 of the book there are two entries made June 15, 1864, in the midst of the July entries for the year 1859.

But it is an impossibility to give a tithe of the inaccuracies that are found in this work; and as your committee find that entries are made in it only up to about the time which this defalcation covers, we are mindful that it might have been made up for this occasion, and in such haste that the mistakes occurring were of a necessity the case; and since Rynd (p. 245), Climie (p. 475), and Tregaskis (p. —) testify that he had claimed to them that he had not even the scratch of a pen which would throw further light upon this defalcation, we are reminded that our suppositions might be correct; and we find it perfectly unreliable as to dates, and do not believe that it is worthy of any consideration as a book of original entry.

Your committee have also carefully examined all the vouchers of the chem-

ical laboratory to which they have had access, and have classified and tabulated them sufficiently to show the expenditures of each year from 1863 to 1876, and for what purposes made. A summary of these disbursements are appended to this report, and will be found marked "Exhibit A."

Another statement annexed to this report shows the amount of commissions charged by Dr. Douglas for the period of twenty-four years, from 1851 to 1876, and is marked "Exhibit B."

A third statement is also appended to this report, containing a tabulated statement, entitled "Errors and erroneous charges in Dr. Douglas' reports," designated as "Exhibit C."

"Exhibit A" will certainly furnish food for thought, and present some features which seem to have hardly received the examination which their singularity invited.

After patiently investigating this whole matter for more than two months, we are somewhat prepared to see errors in the reports of the Director of the Chemical Laboratory amounting to \$1,458.67 in his favor and against the University, as shown in "Exhibit C."

It will also strike one as very singular, that the sum of \$3,672.13 has been paid to Dr. Douglas or taken by him as commissions without, as far as the records show, having made any previous contracts. or in some instances without any auditing of his accounts. "Exhibit B" shows this amount.

SUMMARY.

In presenting a summary of the conclusions to which we have come, your committee are painfully conscious that they assume a position in this unhappy controversy that will provoke unfavorable criticism and obloquy; but having attempted to fathom the subject and disclose the facts in regard to it, we do not hesitate to state our convictions and to assume all the responsibility involved in such statement.

We find in our judgment that the financial affairs of the University were managed in a very unsystematic manner until recently, and even now need some improvements.

We find that the manner in which the business of the chemical laboratory was conducted was faulty and irregular to a surprising degree.

Nor can we withhold the opinion that the Board of Regents were derelict in the important obligation of carefully watching over its affairs and guarding it from fraud.

They allowed expenses to be incurred unreasonably large in many instances, and expenditures in other instances utterly preposterous and uncalled for.

They permitted dictation and control almost beyond belief.

They allowed interest on money which could never have been advanced as claimed by the Director, the laboratory having always been in funds.

Why interest was ever allowed seems a profound mystery.

They allowed the Director to deceive the students by pretending to sell chemicals and apparatus to them at New York prices, while an inspection of the ledger shows an enormous advance on such prices.

It was assumed that the laboratory was profitable and yielded a large income to the University without foundation in fact.

The accounts rendered by the Director are found to be not merely faulty, but incorrect to the extent of thousands of dollars.

It is utterly impossible to tell whether the defalcation traced by these investigations is the only one that has occurred. The tables herewith presented in Exhibits A, B, and C, appended to this report, are highly suggestive of others, to say the least.

Your committee have endeavored to trace the deficit in the chemical laboratory to the responsible parties, and with the aid of the accountant Tregaskis, assisted by the work of others, we reach the following: The defalcation, as determined by the books and papers in this case, is \$5,797.17, to which should be added the accounts of Wells and Grant, of \$30.65, which was paid to Rose and never entered upon the ledger, making \$5,827.82.

Of this amount \$3,349.73 is making up of missing tickets and certificates having a corresponding stub, with a red line and letter D certified by Dr. Douglas to have been paid to him. The remaining part of this defalcation is \$2,478.09. Of this we are able to trace to our satisfaction \$1,998.79 to the same hands. The balance of \$479.30 is traced to the hands of Dr. Rose. Beyond that the evidence is cloudy and conflicting. It is claimed by Rose that this sum coming into his hands during a period of eight years was paid to the Director in the following manner:

1. By accounting to the Director for moneys received from students after his annual reports were written, and which he never reported.

2. By reporting to and paying over to the Director accounts which had been settled on the ledger, but which had been overlooked till the close of the year.

3. By paying in currency during two years, and not bank checks, thus having no means of showing the amounts paid.

That these claims of Rose have great plausibility and many facts also to confirm them, is plain. The testimony of Rose, corroborated as it is, by the transactions during the years in which the bank checks were used, and showing that the accountings of Rose to the Director were correct, must certainly have great weight.

No effort was made by Dr. Rose to explain away his responsibility in the accounts of Wells and Grant except by explaining that these accounts were paid at his house in connection with a board bill, and must inadvertently have been omitted in the proper accounting next made as well as from the ledger.

The frank manner in which Rose gave his testimony, apparently seeking to cover up nothing, powerfully commends his statements to our fullest credence.

On the other hand the vacillating, disingenuous manner of Dr. Douglas, his shameless contradictions and prevarications, as well as his contradictions of proven facts, excited in us no little pity and shame.

We now submit the testimony in this case, and leave to this Legislature and the people what to us has proved a source of great anxiety, care, and labor.

In conclusion, we may be allowed to express the firm conviction that this unhappy affair will be properly treated by those who have the care and management of the University in time to come, and that, taught by this unfortunate experience, they will exercise all needful vigilance in the future.

We also firmly trust that when the present excitement shall have passed away and this matter shall be fully adjusted, the people of Michigan will feel no less regard for an institution which in one generation has risen to an influence so commanding, which has done so much for the honor of our young and noble State, and which we believe will still go on in its grand and noble work of giving the broadest culture, the noblest enterprise and the richest benedictions to many whom it may attract to its instruction.

Your committee, without making any recommendation, submit this report, and ask to be discharged from the further consideration of the subject.

L. J. TAYLOR,	} <i>Of the Senate.</i>
<i>Chairman of Joint Committee,</i>	
T. H. HINCHMAN,	
R. B. C. NEWCOMB,	} <i>Of the House.</i>
C. B. MILLS,	
<i>Chairman of House Committee,</i>	
N. B. HAYES,	}
FITCH PHELPS,	
R. J. KELLEY,	

During the last three days I have been unavoidably absent from the Capitol, and in my absence a large portion of the foregoing report has been put in form and written out by the other members of the joint committee. On my return last evening the report was being read by the chairman of the House committee to the House of Representatives. I therefore had no opportunity to examine the report before it was read, but the facts and data upon which it is founded, we have been carefully considering for weeks, and I concur in the conclusions generally of the committee, and in that portion inculcating Dr. Douglas, but I do not see my way to so nearly exonerating Dr. Rose as the other members of the committee.

WM. McARTHUR.

APPENDIX.

All of the debit vouchers from 1863 to 1876 have been examined, and a tabulated statement of the same is prepared showing the expenditures for each year for chemicals, freight, interest, expenses to New York and elsewhere, for sundries, and for permanent improvements, as far as could be determined by the vouchers. [See Exhibit A.] A large item of expenditures, commencing back at 1851, is only partly included in that statement, for the reason that the bulk of it is found only in special reports. We refer to the commissions charged by Dr. Douglas for superintending buildings, water works, and steam heating, and the purchase of chemicals and apparatus. It will be observed that 10% was paid for commissions on one building, 8% on steam heating and water, and 5% on other work, all very extravagantly high rates, even higher than competent mechanics could be employed for. [See Exhibit B.]

The items of errors in the annual statements are also presented in Exhibit C.

The laboratory is claimed by parties in their testimony to be profitable (pp. 30 and 139). An examination of the facts and figures prove that it was an annual expense to the University instead, when the salaries paid to professors and assistants is taken into the account. It is true that it should have been self-sustaining if the proper care and economy had been observed. The profit upon chemicals has been large, and should have paid for all necessary improvements, and for all necessary instruction in that department. It appears that the prices paid for chemicals and apparatus were excessive. That money was used in going to New York,—generally unnecessarily. The amounts charged for expenses to New York, if authorized and correct, should not have occurred oftener than once in three or four years, and should never have exceeded \$60 for any one trip. It also appears that articles were purchased not absolutely needed, and in excessive quantities, and that the stock carried is out of all proportion to the amount of sales.

It is testified (pp. 140 and 194) that the inventory shows \$8,000 of chemicals and apparatus on hand, kept for sales which amount to only \$2,000 on the average, at first cost. A prudent expenditure would have left no excuses for charges of interest occurring almost yearly on the Director's reports. To make such charges appear plausible, the items of payments are frequently under erroneous dates. We notice bill charged as paid July 1, was receipted Aug. 10; payment charged Aug. 1, was receipted Oct. 10th,—which are only two of a number charged and dated in that way in years where excessive interest is charged. An examination of the accounts proves that the Director was always in funds for laboratory account, and should never have charged interest. We notice the same charges for interest and for expenses to New York, prior to 1863, but not in as large amounts. We give the table below, Exhibit D, as an approximation, to the cost of the laboratory. It will be borne in mind that professors and teachers were always paid by warrants from the general fund.

EXHIBIT A.—Summary of Disbursements, 1863 to 1875.

DATES.	Chemicals, Apparatus and Freight.	Gas.	Traveling Expenses.	Interest and Exchange.	Assistants.	Commissions	Sundries and Construction	Purchases of doubtful Utility.	Erroneous Charges.	Payments.	Receipts for Chemicals and Apparatus.	Receipts by Warrants.	Paym'ts to Regents
1863-4.....	\$782 73	\$61 20	\$74 10	\$10 20	\$19 27		\$785 79			\$1,743 38	\$1,955 98		
1864-5.....	1,996 72	180 72	73 51	17 31	10 00		237 77			1,796 84	2,200 53		
1865-6.....	1,538 49	199 27	46 50	16 76	64 76		565 56			2,382 32	3,118 54		
1866-7.....	1,815 43	217 97	82 33	18 82	243 66	114 00	2,413 72		\$4 65	4,910 64	4,920 16	\$450 00	
1867-8.....	1,574 60	217 28	6 30	16 45			701 21	\$20 00	37 82	2,895 77	4,207 15		\$350 00
1868-9.....	2,753 31	343 81	122 85	199 73	696 00	488 13	4,057 45		115 45	8,761 41	5,619 30	412 50	
1869-70.....	9,616 58	976 00	41 17	94 02	408 00		305 02		206 28	3,765 79	6,064 37	1,750 00	
1870-1.....	2,335 73	331 70	105 40	8 04	298 00		206 29		25 00	3,280 76	5,256 61	850 00	600 00
1871-2.....	2,814 15	346 00		80	450 00		373 83		8 00	4,194 17	5,396 86	850 00	600 00
1872-3.....	2,480 82	421 20	122 57		371 50		356 96	558 62	9 40	4,323 77	5,693 70	850 00	
1873-4.....	3,306 86	415 95	113 75	166 11	4 12		694 89	1,212 07	3 10	5,928 75	5,070 65		
1874-5.....	4,081 05	565 50	97 85	309 19	2 50		1,631 07	15 00		6,702 69	6,529 75		
1875-6.....	2,238 27	394 60	152 25	120 00		625 00	310 08		33 29	3,810 20	4,069 82		
Totals....	\$29,633 51	\$3,914 74	\$998 58	\$977 56	\$2,563 81	\$1,227 13	\$12,847 55	\$1,805 69	\$458 52	\$54,497 22	\$59,963 42	\$5,162 50	\$1,550 00

NOTE.—Statements of Receipts are from the Laboratory books.

EXHIBIT B.

Commissions charged by Dr. Douglas in his annual and special reports:

YEAR.		Special Reports.	Annual Reports.
1851.	Commission on purchases of \$1,064.55-----	\$110 40	
1857.	“ “ building, 10%-----	468 31	
1864.	“ “ “ 10%-----	875 00	
1867.	“ per report-----		\$114 00
1868.	“ on laboratory building-----	250 00	
1869.	“ “ steam heating, 8%-----	741 29	
1874.	“ “ \$4,000 laboratory building, 5%-----		200 00
1874.	“ “ purchases of apparatus and chemi- cals for laboratory, 5%-----		288 13
1875.	Commission on gas and water-----		625 00
		<hr/> \$2,445 00	<hr/> \$1,227 13
			<hr/> 2,445 00
Total commission ascertained-----			<hr/> <hr/> \$3,672 13

EXHIBIT C.

Erroneous Charges and Omissions in Dr. Douglas' Reports.

1863-4.	Error in footing-----	\$30 88
1876-7.	Error in charging money refunded-----	4 65
1867-8.	Error in footings, pages 4 and 5-----	20 00
1868-9.	Error in charging Rose, no voucher and not paid-----	100 00
1868-9.	Error in charging express charges twice-----	6 50
1868-9.	Error in footing report-----	206 28
1869-70.	Error in charging protested draft, since paid-----	25 00
1870-1.	Error in chg. membership Pharmaceutical Association-----	8 00
1871-2.	Error in charge to Rohrbeck & Goebeler-----	7 00
1871-2.	Error in F chg. 15c, Rose, \$2.25-----	2 40
1874-5.	Error in charging freight M. C. R. R.-----	15 53
1875-6.	Error in carrying balance-----	21 65
1875-6.	Error in charging freight bill twice-----	11 64
1869-70.	Error in charging traveling ex. to Pharmaceutical Ass'n-----	41 17
1863 to 1875.	Error in charges of interest-----	926 88
1873-4.	Error in not crediting am't rec'd from Union school per acct.-----	50 00
1866.	Error in not crediting State-----	7 15
		<hr/> \$1,484 73
1864-5.	Cr. error in carrying balance-----	26 06
		<hr/> \$1,458 67

Perhaps there should be added to the above, two assistant warrants, \$137 50 each, issued July 1st and September 30th, '74, for which there are no vouchers,—\$275.00.

Purchases not Directly Authorized and of Doubtful Utility.

1872-3	Magic lantern and pictures.....	\$146 00
1872-3.	Magic lantern improved vertical slit.....	279 75
1873-3.	Magic lantern and slides.....	132 27
1873-4.	Magic lantern pictures.....	8 00
1873-5.	Corrected objective.....	25 00
	Objective.....	2 00
	K. Douglas, 9 slides.....	9 00
	Electrical machine, bought in London.....	1,168 07
		<hr/>
		\$1,770 69
		<hr/>

EXHIBIT D.

STATEMENT Showing the Cost of Conducting and Maintaining the Laboratory the last Fifteen Years.

Amount appropriated from June 28, 1860, as per statement from books, for additions to building and repairs.....	\$16,544 37
Amount paid by warrants from General Fund for salaries from April 1, 1861, to April 1, 1876.....	67,653 60
<hr/>	
Total payment from General Fund in 15 years.....	\$84,197 97
Inventory,—laboratory.....	\$19,000
“ fixtures, chemicals, etc.....	23,000
<hr/>	
	\$42,000
Less value of buildings prior to 1861, and depreciation since.....	10,000
<hr/>	
	32,000 00
<hr/>	
Balance against laboratory.....	\$52,197 97
From this may be taken, say one-half of matriculation fees paid into the medical department, or into the literary department...	20,000 00
<hr/>	
Balance against laboratory.....	\$32,197 97

I N D E X .

All the evidence up to page 385 was taken at Ann Arbor: all after that was taken at Lansing.

	PAGE.
Angell, J. B.	Jan. 24, page 82, Feb. 16, 540
Beal, R. A.	671
Bennett, H. D.	349, 373
Briggs, L. W.	417, 446, 670
Carrington, John	628
Climie, A.	474, 495, 540, 591
Cocker, B. F.	470
Cook, S. F.	597
Cramer, D.	461
Cutcheon, B. M.	Jan. 26, 69
Douglas, S. H.	110 (Jan. 31 and Feb. 1), 215, 254, 450, 486, 559, 606, 631, 647, 666
Douglas, S. T.	599
DuBois, A.	464
Estabrook, J.	Jan. 30, 77
Exhibits to Testimony, p. 682; to Report.	741
Felch, A.	210
George, Wm.	550
Gilbert, T. D.	426
Grant, C. B.	Jan. 24, page 37, Feb. 2, 229
Grant, F. W.	555
Johnson, O. C.	Jan. 30, 94
Kinne, E.	344
Knight, J. W.	380
McGowan, J. H.	Jan. 25 and 30, 5
Pantlind, G.	557
Prescott, A. B.	365, 520
Richmond, C. H.	489
Rose, P. B.	266, 385, 528, 554, 559, 641
Report of Legislative Joint Committee.	715
Rynd, C.	236, 258
Sawyer, A. J.	594
Sutherland, A. J.	377
Thum, H.	Jan. 30, 104
Tolchard, W. A.	364
Tregaskis, R.	Jan. 30, 107; 534, 649
Walker, E. C.	Jan. 24, 27
Watson, J. C.	626
Wells, M. J.	554